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Macroeconomic policy questions: promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development

Guinea:* revised draft resolution

Promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development

The General Assembly,

Guided by the purposes and principles enshrined in the Charter of the United Nations,

Reaffirming its resolution [70/1](#) of 25 September 2015, entitled “Transforming our world: the 2030 Agenda for Sustainable Development”, in which it adopted a comprehensive, far-reaching and people-centred set of universal and transformative Sustainable Development Goals and targets, its commitment to working tirelessly for the full implementation of the Agenda by 2030, its recognition that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development, its commitment to achieving sustainable development in its three dimensions – economic, social and environmental – in a balanced and integrated manner, and to building upon the achievements of the Millennium Development Goals and seeking to address their unfinished business,

Reaffirming also its resolution [69/313](#) of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which is an integral part of the 2030 Agenda for Sustainable Development, supports and complements it, helps to contextualize its means of implementation targets with concrete policies and actions, and reaffirms the strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity,

* On behalf of the States Members of the United Nations that are members of the Group of 77 and China.



Reaffirming further the United Nations Convention against Corruption,¹ which is the most comprehensive and universal instrument on corruption, and recognizing the need to continue to promote its ratification or accession thereto and its full and effective implementation, including full support for the Mechanism for the Review of Implementation of the Convention,

Reaffirming the United Nations Convention against Transnational Organized Crime,²

Recalling its resolutions 65/169 of 20 December 2010, 71/213 of 21 December 2016, 72/207 of 20 December 2017, 73/222 of 20 December 2018, 74/206 of 19 December 2019 and 75/206 of 21 December 2020,

Recalling also its resolutions 71/208 of 19 December 2016, 72/196 of 19 December 2017, 73/186 of 17 December 2018, 74/177 of 18 December 2019, 74/276 of 1 June 2020 and 75/194 of 16 December 2020,

Taking note of the 2021 report of the Inter-Agency Task Force on Financing for Development,³

Recognizing that making progress on reducing illicit financial flows could contribute to the achievement of other goals and targets in the 2030 Agenda,

Recalling the report of the High-level Panel on Illicit Financial Flows from Africa and its relevant contributions in increasing knowledge of the sources of illicit financial flows, and reiterating its invitation to other regions to carry out similar exercises,

Recalling also the policy recommendations of the Intergovernmental Group of Experts on Financing for Development of the United Nations Conference on Trade and Development,⁴ as well as the 2020 publication of the Conference on tackling illicit financial flows for sustainable development in Africa,⁵ and taking note of the Conceptual Framework for the Statistical Measurement of Illicit Financial Flows of the United Nations Conference on Trade and Development and the United Nations Office on Drugs and Crime,

Reiterating its deep concern about the impact of illicit financial flows, in particular those caused by tax evasion, corruption and transnational organized crime, on the economic, social and political stability and development of societies, and especially on developing countries and their progress in financing the 2030 Agenda,

Noting with great concern the severe negative impact on human health, safety and well-being caused by the coronavirus disease (COVID-19) pandemic, as well as the severe disruption to societies and economies and the devastating impact on lives and livelihoods, and that the poorest and most vulnerable are the hardest hit by the pandemic, reaffirming the ambition to get back on track to achieve the Sustainable Development Goals by designing and implementing sustainable and inclusive recovery strategies to accelerate progress towards the full implementation of the 2030 Agenda for Sustainable Development and to help to reduce the risk of and build resilience to future shocks, crises and pandemics, including by strengthening health systems and achieving universal health coverage, and recognizing that equitable and timely access for all to safe, quality, effective and affordable COVID-19 vaccines, therapeutics and diagnostics are an essential part of a global response based on unity,

¹ United Nations, *Treaty Series*, vol. 2349, No. 42146.

² *Ibid.*, vol. 2225, No. 39574.

³ *Financing for Sustainable Development Report 2021* (United Nations publication, 2021).

⁴ See [TD/B/EFD/1/3](#).

⁵ *Economic Development in Africa Report 2020: Tackling Illicit Financial Flows for Sustainable Development in Africa* (United Nations publication, 2020).

solidarity, renewed multilateral cooperation and the principle of leaving no one behind,

Acknowledging that the COVID-19 pandemic has put a spotlight on the limitations of the Governments of developing countries to marshal resources in times of crisis, reiterating the need to enhance and strengthen effective domestic resource mobilization, including accountable and transparent public expenditure systems, and strengthen domestic regulatory and legal frameworks, as necessary, to more effectively counter the harm resulting from illicit financial flows, and that the harm done by such flows in straining the limited resources of developing countries evidently affects their ability to address the Sustainable Development Goal financing gap and to mobilize domestic resources for longer-term sustainable development, recalling the meetings of discussion group VI of the informal process launched by the Secretary-General and the Governments of Canada and Jamaica on Financing for Development in the Era of COVID-19 and Beyond, recalling also its resolution [S-32/1](#) of 2 June 2021 containing the political declaration entitled “Our common commitment to effectively addressing challenges and implementing measures to prevent and combat corruption and strengthen international cooperation”, encouraging Member States to use and strengthen appropriate focal points to facilitate information exchange among one another, noting existing agreements, international formal forums or networks for that purpose, and acknowledging the Riyadh initiative for enhancing international anti-corruption law enforcement cooperation as part of which the Global Operational Network for Anti-Corruption Law Enforcement Authorities was established under the auspices of the United Nations Office on Drugs and Crime, such as the International Criminal Police Organization (INTERPOL)/Stolen Asset Recovery (StAR) Initiative Global Focal Point Network on Asset Recovery,

Bearing in mind in this regard that there are different sources of illicit financial flows and that a separate analysis of each source is more beneficial in designing policy responses to prevent illicit financial flows,

Noting with appreciation the ongoing efforts by regional organizations and other relevant international forums to strengthen cooperation in preventing and combating illicit financial flows, as well as new initiatives taken by Governments and the private sector to mobilize the financial sector in the collective fight against illicit financial flows,

Recognizing that combating illicit financial flows is an essential development challenge, noting that developing countries are particularly susceptible to the negative impact of illicit financial flows, and emphasizing that illicit financial flows reduce the availability of valuable resources for financing for development,

Recognizing also the importance of studying the potential relationship between combating illicit financial flows and attaining debt sustainability,

Recognizing further that the challenge posed by the increasing scope and complexity of illicit financial flows and the need for the recovery and return of stolen assets requires strengthened international cooperation,

Recognizing that numerous technical, legal and practical challenges are to be addressed in order to facilitate the repatriation of proceeds of crime to countries from where they were originally stolen,

Recognizing also that global knowledge of the importance of combating illicit financial flows and enhancing the return of assets is rapidly increasing, as is the political will to recover illicitly acquired assets by both requesting and requested States, and noting that, while many challenges remain unresolved, tackling them effectively requires a holistic approach that recognizes the different types of illicit financial flows and their impact on sustainable development,

Reaffirming the importance of chapter V of the United Nations Convention against Corruption, and underlining that the recovery and return of stolen assets pursuant to that chapter is a fundamental principle of the Convention,

Recognizing the work carried out by the Conference of the States Parties to the United Nations Convention against Corruption, and in particular its Open-ended Intergovernmental Working Group on Asset Recovery, to advance the full implementation of chapter V of the Convention,

Noting the efforts to promote the exchange of information and synergies between the open-ended intergovernmental expert meetings to enhance international cooperation under the United Nations Convention against Corruption and the Working Group on International Cooperation established by the Conference of the Parties to the United Nations Convention against Transnational Organized Crime,

Recalling the work of the Platform for Collaboration on Tax, which is to intensify collaboration and coordination on tax issues between the United Nations, the International Monetary Fund, the World Bank Group and the Organization for Economic Cooperation and Development, including on formalizing regular discussions among the four international organizations on the implementation of standards for international tax matters and on the strengthening of their ability to provide capacity-building support to developing countries,

Recognizing the important work undertaken by academia and civil society, including the International Centre for Asset Recovery and the U4 Anti-Corruption Resource Centre, in assisting Member States in understanding the challenges associated with the return of stolen assets under chapter V of the United Nations Convention against Corruption,

Noting the work of the 141 members of the Organisation for Economic Co-operation and Development/Group of 20 Inclusive Framework on Base Erosion and Profit Shifting, which provides a forum for collaboration for tackling tax avoidance, improving the coherence of international tax rules and ensuring a more transparent and fair tax environment,

Noting also international developments on the implementation of the Standard for Automatic Exchange of Financial Account Information in Tax Matters under a common reporting standard developed by the Organisation for Economic Co-operation and Development, which 120 jurisdictions have already committed to implementing by 2024, as well as the role of the 163 members of the Global Forum on Transparency and Exchange of Information for Tax Purposes, which enables cooperation on an equal footing,

Reiterating the pledge that no one will be left behind, reaffirming the recognition that the dignity of the human person is fundamental, and the wish to see the Goals and targets met for all nations and peoples and for all segments of society, and recommitting to endeavour to reach the furthest behind first,

1. *Welcomes* the focus on combating illicit financial flows, inter alia, at the High-level Dialogue on Financing for Development, held on 26 September 2019, acknowledges that combating illicit financial flows contributes to domestic resource mobilization, and calls upon the relevant organizations of the United Nations system, within their respective mandates and resources, to continue their consideration of the negative impact of illicit financial flows on financing the 2030 Agenda for Sustainable Development,⁶ to further explore policy responses to the phenomenon and to coordinate their efforts in this regard;

⁶ Resolution 70/1.

2. *Also welcomes* the high-level meeting on international cooperation to combat illicit financial flows and strengthen good practices on assets return, convened by the President of the General Assembly at Headquarters on 16 May 2019, and takes note of the Chair's summary;

3. *Takes note* of the report of the High-level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda⁷ and the recommendations by independent experts contained therein for further consideration, as appropriate, expresses its commitment to financial integrity for sustainable development, to giving, when appropriate, consideration to allocating any recovered resources to finance the achievement of the Sustainable Development Goals and to strengthening the implementation of existing multilateral legal instruments for the purpose of asset recovery and return, through national efforts and international cooperation to combat illicit financial flows and promote good practices on assets return to foster sustainable development, including through existing relevant international frameworks, such as the United Nations Convention Against Corruption, while noting the ongoing work of the United Nations Office on Drugs and Crime, the United Nations Conference on Trade and Development and the Group of 20, requests the Secretary-General to submit to the General Assembly at its seventy-seventh session a report, within existing resources, on existing commitments and to strengthen international coordination in relation to illicit financial flows and the implementation of assets return and recovery based on existing mechanisms, and takes note of the recent statement on a two-pillar solution to address the tax challenges arising from the digitalization of the economy, agreed by 137 jurisdictions members of the Inclusive Framework on Base Erosion and Profit Shifting, which provides that in-scope multinational enterprises will be subject to a minimum tax rate of 15 per cent;

4. *Reaffirms its commitment* to strive to eliminate safe havens that create incentives for the transfer abroad of stolen assets and illicit financial flows;

5. *Also reaffirms its commitment* to strengthen regulatory frameworks at all levels in accordance with international standards and to further increase the transparency and accountability of financial institutions and the corporate sector, as well as public administrations;

6. *Notes with concern* that proceeds emanating from offences established under the United Nations Convention against Corruption have yet to be disposed of in favour of the requesting States parties, their prior legitimate owners and victims of the crimes, and decides to deter, detect, prevent and counter corruption, increase transparency and promote good governance;

7. *Reaffirms* the need for Member States to effectively implement and enforce existing obligations under the United Nations Convention against Corruption, as a critical part of combating illicit financial flows;

8. *Welcomes* the ongoing efforts of Member States to enhance knowledge and broaden understanding of the challenges and opportunities involved in international cooperation to combat illicit financial flows and strengthen good practices on assets return consistent with the United Nations Convention against Corruption so as to foster sustainable development;

9. *Acknowledges* that combating illicit financial flows requires a range of actions that includes deterring, detecting, preventing and countering such flows in source, transit and destination countries;

⁷ A/75/810/Rev.1, annex.

10. *Recalls* that new technologies can both increase efficiency in revenue collection and strengthen the efforts to combat illicit financial flows, expresses concern that virtual assets are being used for illicit activities, and in this regard encourages Member States and other relevant organizations to take measures in line with international standards, where applicable, to prevent and counter their illicit use;

11. *Notes* that international cooperation in combating illicit financial flows is a work in progress that must continue to be pursued, and encourages all countries to develop effective tools and create a policy environment for combating illicit financial flows, in accordance with the existing relevant international frameworks, including the United Nations Convention against Corruption;

12. *Urges* Member States that have not yet done so to consider ratifying or acceding to the United Nations Convention against Corruption and the United Nations Convention against Transnational Organized Crime and the Protocols thereto,⁸ and urges States parties to those Conventions and Protocols to make efforts towards their effective implementation;

13. *Encourages* countries and relevant multilateral and international organizations to continue their efforts to provide, upon request, technical assistance and capacity-building assistance to developing countries, as well as to support African and other regional initiatives, in order to improve their capacity to prevent, detect and combat illicit financial flows and strengthen good practices on assets return to foster sustainable development;

14. *Recalls with appreciation* the first meeting of the Global Forum on Asset Recovery, held in December 2017, supported by the Stolen Asset Recovery Initiative, a joint initiative of the World Bank and the United Nations Office on Drugs and Crime, and welcomes the adoption of the Global Forum on Asset Recovery communiqué;

15. *Recalls* the second International Expert Meeting on the Return of Stolen Assets, held in Addis Ababa from 7 to 9 May 2019, and encourages the continuation of its work in advancing efforts to strengthen the recovery and return of stolen assets in support of sustainable development;

16. *Encourages* further efforts by relevant national and international actors to mitigate transfer pricing not in line with the arm's length principle and trade misinvoicing;

17. *Calls upon* all countries to work together to eliminate base erosion and profit shifting and to ensure that all companies, including multinationals, pay taxes to the Governments of countries where economic activity occurs and value is created, in accordance with national and international laws and policies;

18. *Also calls upon* all countries to cooperate, in accordance with applicable bilateral or multilateral agreements, in the areas of mutual legal assistance and administrative assistance in tax matters, as well as the automatic exchange of financial account information;

19. *Recognizes* the importance of the consideration of international tax issues at the United Nations, and in that regard takes note with appreciation of the work of the Committee of Experts on International Cooperation in Tax Matters, and agrees to work towards strengthening its effectiveness and operational capacity to present concrete recommendations to the Economic and Social Council;

20. *Also recognizes* that measures aimed at combating illicit financial flows often require cooperation between law enforcement agencies, and encourages

⁸ United Nations, *Treaty Series*, vols. 2225, 2237, 2241 and 2326, No. 39574.

Member States, where applicable and subject to their domestic legal systems, and in line with their treaty obligations, to cooperate in this regard;

21. *Stresses* that anti-corruption measures should be an integral part of national development policies and strategies and that all jurisdictions should consider undertaking further research, policy development and programming, as appropriate, to address corruption;

22. *Encourages* closer public-private sector collaboration to better tackle corruption, and stresses that further research, policy development and programming should help in reaching this goal;

23. *Notes* that various jurisdictions have introduced mechanisms to increase beneficial ownership transparency, including beneficial ownership registries of legal entities and legal arrangements, such as companies, trusts and limited liability partnerships, and invites all jurisdictions to consider establishing appropriate mechanisms, in line with international standards, where applicable;

24. *Encourages* States parties to the United Nations Convention against Corruption to make full use of the asset recovery tools set forth in chapter V of the Convention, including mechanisms for the enforcement of foreign restraining and confiscation orders, as a means of significantly reducing the expenses that a State party may normally incur in pursuing asset recovery;

25. *Calls upon* all States parties to the United Nations Convention against Corruption, in particular requesting and requested States parties, to cooperate to recover the proceeds of crime, as defined in the Convention, and to fulfil their obligation to ensure the return or disposal of such proceeds, in accordance with article 57 of the Convention;

26. *Recognizes* the importance of enhanced capacity for data collection and analysis to combat illicit financial flows, emphasizing the need to increase the exchange of data within national government institutions as well as from international institutions;

27. *Emphasizes* the importance of the ongoing efforts of the United Nations Office on Drugs and Crime, in coordination with the United Nations Conference on Trade and Development and other institutions, to develop a methodology to produce estimates of the total value of inward and outward illicit financial flows;

28. *Invites* the President of the General Assembly, the President of the Economic and Social Council and the Secretary-General to give appropriate consideration to the importance of combating illicit financial flows and strengthening good practices on assets return to foster sustainable development, and in this regard invites all relevant international institutions to support these efforts, in accordance with their respective mandates;

29. *Reaffirms* the commitment at the very heart of the 2030 Agenda to leave no one behind and commit to taking more tangible steps to support people in vulnerable situations and the most vulnerable countries and to reach the furthest behind first;

30. *Looks forward* to the inclusion, in the 2022 report of the Inter-Agency Task Force on Financing for Development, of an analysis of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development, pursuant to the mandate of the Task Force, and also looks forward to the deliberations of the Economic and Social Council forum on financing for development follow-up on efforts to combat illicit financial flows;

31. *Requests* the secretariat of the United Nations Conference on Trade and Development, in consultation with relevant entities of the United Nations system, including the United Nations Office on Drugs and Crime, to inform the General Assembly at its seventy-seventh session about the implementation of the present resolution, through a dedicated section of the *Sustainable Development Goals Pulse* report and of the *Trade and Development Report*, elaborating in particular on the need to combat illicit financial flows and recover and return stolen assets in line with commitments contained in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development⁹ and the 2030 Agenda for Sustainable Development, in the context of the COVID-19 pandemic;

32. *Decides* to include in the provisional agenda of its seventy-seventh session, under the item entitled “Macroeconomic policy questions”, the sub-item entitled “Promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development”.

⁹ Resolution [69/313](#), annex.