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Macroeconomic policy questions: promotion of international cooperation to combat illicit financial flows in order to foster sustainable development

Draft resolution submitted by the Vice-Chair of the Committee, Menelaos Menelaou (Cyprus), on the basis of informal consultations on draft resolution [A/C.2/72/L.16](#)

Promotion of international cooperation to combat illicit financial flows in order 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”,¹ 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,² 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

¹ Resolution [70/1](#).

² Resolution [69/313](#), annex.



environment at all levels for sustainable development in the spirit of global partnership and solidarity,

Reaffirming further the United Nations Convention against Corruption,³ 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,⁴

Recalling its resolution 71/213 of 21 December 2016,

Recalling also its resolutions 60/207 of 22 December 2005, 69/199 of 18 December 2014 and 71/208 of 19 December 2016,

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,

Recognizing the challenge posed by the increasing scope and complexity of illicit financial flows and the need for recovery and return of stolen assets, which necessitates the strengthening of international cooperation on this matter,

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 with appreciation the ongoing efforts by regional organizations and other relevant international forums to strengthen cooperation in preventing and combating illicit financial flows,

Welcoming the establishment of the Platform for Collaboration on Tax 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 between the four international organizations on the design and implementation of standards for international tax matters and on the strengthening of their ability to provide capacity-building support to developing countries,

Noting that developing countries are the most susceptible to the negative impact of illicit financial flows,

Noting also the report of the High-level Panel on Illicit Financial Flows from Africa, and reiterating its invitation to other regions to carry out similar exercises, while commending its role in increasing knowledge on illicit financial flows,

Taking note of the 2017 report of the Inter-Agency Task Force on Financing for Development,⁵

³ United Nations, *Treaty Series*, vol. 2349, No. 42146.

⁴ *Ibid.*, vol. 2225, No. 39574.

⁵ *Financing for Development: Progress and Prospects* (United Nations publication, Sales No. E.17.I.5).

Keeping in mind that there are different components of illicit financial flows and that the separate analysis of channels or components is more beneficial in designing policy responses to prevent illicit flows,

Appreciating the fact that the Summit of the Group of 20, held in Hangzhou, China, on 4 and 5 September 2016, the first Summit of the Group of 20 to take place in a developing country following the adoption of the 2030 Agenda for Sustainable Development, with the broad participation of developing countries and including the Chair of the Group of 77, endorsed the Group of 20 Action Plan on the 2030 Agenda for Sustainable Development as an important contribution to the global implementation of the 2030 Agenda, recalling the Summit of the Group of 20 held in Hamburg, Germany, on 7 and 8 July 2017, at which the Group of 20 endorsed the “Hamburg update” of the Group of 20 Action Plan, and looking forward to their implementation, while urging the Group of 20 to continue to engage in an inclusive and transparent manner with other States Members of the United Nations in its work in order to ensure that the initiatives of the Group of 20 complement or strengthen the United Nations system,

Noting recent international developments on the implementation of the Standard for Automatic Exchange of Financial Account Information in Tax Matters under common reporting standards developed by the Organization for Economic Cooperation and Development, and now involving more than 100 countries,

[final text pending agreement]

1. *Welcomes* the inclusion in the 2030 Agenda for Sustainable Development¹ of, inter alia, the target related to combating illicit financial flows, recalls that the Sustainable Development Goals and associated targets are integrated and indivisible and balance the three dimensions of sustainable development, and, in this regard, looks forward to their achievement;

2. *Also welcomes* the inclusion in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development² of actions intended to combat illicit financial flows, and in this regard looks forward to their implementation;

3. *Further welcomes* the ongoing efforts of Member States to enhance knowledge and broaden understanding of the challenges and opportunities involved with international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development, including the initiative of Nigeria and Norway to this effect, as well as the initiative of Ethiopia and Switzerland on good practices on assets return, and calls upon Member States to continue such efforts, including through relevant organizations of the United Nations system and other relevant regional or international forums;

4. *Expresses its concern* that cryptocurrencies are increasingly being used for illicit activities, and in this regard encourages Member States and other relevant organizations to consider taking measures to prevent and counter their illicit use;

5. *Urges* Member States that have not yet done so to consider ratifying or acceding to the United Nations Convention against Corruption³ and the United Nations Convention against Transnational Organized Crime and the Protocols thereto,⁶ and also urges States parties to those Conventions and Protocols to make efforts towards their effective implementation;

6. [final text pending agreement]

⁶ United Nations, *Treaty Series*, vols. 2225, 2237, 2241 and 2326, No. 39574.

7. *Encourages* further efforts by relevant national actors to mitigate transfer mispricing and trade misinvoicing by multinational corporations, with a view to strengthening the tax base in host countries, bearing in mind the need for developing countries to strengthen their domestic resource mobilization in order to achieve the Sustainable Development Goals;

8. *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 in order to improve their capacity to prevent, detect and to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development;

9. *Invites* the President of the General Assembly to convene, during its seventy-third session, within existing resources and in coordination with all relevant stakeholders, a high-level meeting on international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development;

10. *Notes* 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;

11. *Decides* to give consideration, as appropriate, to international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development in the follow-up and review framework of the 2030 Agenda for Sustainable Development and in the follow-up process of the Addis Ababa Action Agenda;

12. *Calls for* greater international cooperation and sustained dialogue to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development and pledges to deter, detect, prevent and counter corruption, increase transparency and promote good governance for all citizens, which will contribute to the fostering of sustainable development;

13. *Looks forward* to the inclusion, in the 2018 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;

14. *Decides* to include in the provisional agenda of its seventy-third session, under the item entitled “Macroeconomic policy questions”, a sub-item entitled “Promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development”. [final text pending agreement]