



General Assembly

Distr.: General
22 July 2025

Original: English

Eightieth session

Item 16 (f) of the provisional agenda*

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

International coordination and cooperation to combat illicit financial flows

Report of the Secretary-General

Summary

The present report, submitted pursuant to General Assembly resolution [79/234](#), provides an overview of the progress made towards combating illicit financial flows, as well as recommendations for strengthening international coordination. In the report, the Secretary-General notes the significant commitments made in the Sevilla Commitment, adopted at the Fourth International Conference on Financing for Development, and emphasizes the importance of implementing the commitments to tackling illicit financial flows and achieving the Sustainable Development Goals.

* [A/80/150](#).



I. Introduction

1. In its resolution [79/234](#), the General Assembly recognized that combating illicit financial flows was an essential development challenge and committed to measures to combat them and strengthen good practices on assets return to foster sustainable development. It also reiterated its commitment to financial integrity for sustainable development. The Assembly addressed measures to stem tax evasion, tax avoidance, tax base erosion and profit shifting; combat corruption and transnational organized crime; address the smuggling of commercial goods; prosecute professional service providers that enable illicit financial flows; and strengthen the recovery and return of stolen assets in support of sustainable development. The present report provides information on the progress made towards combating illicit financial flows and in the implementation of assets return and recovery based on existing mechanisms.

2. The commitment to eliminating illicit financial flows was included in both the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. Member States have repeated these commitments in subsequent political declarations, such as the Pact for the Future, adopted in September 2024.¹ The Pact contains an action that includes preventing and combating illicit financial flows to close the Sustainable Development Goals financing gap, as well as a specific action on preventing and combating transnational organized crime and related illicit financial flows.

3. The Sevilla Commitment, adopted at the Fourth International Conference on Financing for Development on 30 June 2025, further advances commitments through concrete actions to be taken by Member States and other stakeholders to prevent and combat illicit financial flows.²

4. As recognized in General Assembly resolution [79/234](#), the international mechanisms and frameworks for combating illicit financial flows include legal multilateral and bilateral conventions and international normative frameworks, but gaps, overlaps and fragmentation remain. There are also shortcomings and weaknesses in implementation.

5. Countries cannot effectively eliminate illicit financial flows alone; the cross-border nature of these flows necessitates cooperation and coordination. The large gap between current systems and a world characterized by financial integrity results from shortcomings in both domestic and international policies and their implementation.

II. Tax cooperation, tax evasion and countering base erosion and profit shifting

6. The globalization of economic activity has opened up opportunities for tax-related illicit financial flows, including tax base erosion and profit shifting by large multinational enterprises and the hiding of untaxed income and assets by wealthy individuals. Tax evasion is an illegal action that is, in most countries, characterized as a crime; tax avoidance is a legal practice that frequently involves tax planning and arbitrage across borders. Under the agreed statistical methodology, both can give rise to illicit financial flows when the resulting resources flow across borders. They can result in unfair tax burdens, lower investment and reduced progress on combating poverty and inequality. They also lower tax morale, namely, the willingness of others to pay their taxes.

¹ General Assembly resolution [79/1](#).

² [A/CONF.227/2025/L.1](#).

Progress on a United Nations framework convention on international tax cooperation

7. Driven by the long-standing call by developing countries for a more inclusive, transparent and fair international tax system, in December 2024, the General Assembly adopted the terms of reference for a United Nations framework convention on international tax cooperation and launched the negotiating phase of three legal instruments: the above-mentioned framework convention and two early protocols.³ The first early protocol was decided to address taxation of income derived from the provision of cross-border services in an increasingly digitalized and globalized economy”, while the second early protocol was to be determined later from a pre-established list of options in the terms of reference. In the resolution, the Assembly established an intergovernmental negotiating committee on the framework convention, which would take forward the negotiations and was mandated to complete its work in the first quarter of its eighty-second session.

8. In February 2025, the intergovernmental negotiating committee held its organizational session, at which it decided on decision-making modalities and selected “Prevention and resolution of tax disputes” as the subject of the second early protocol. This was decided by consensus and represented a compromise and a significant step forward in negotiations on tax at the United Nations. Over the course of the next two years, nine substantive sessions in New York and Nairobi are planned. In 2025, three sessions will be held: the first two will be held back-to-back in New York from 4 to 8 and from 11 to 15 August, and the third will be held in Nairobi from 10 to 21 November. In the Sevilla Commitment, Member States agreed to engage constructively in the negotiations and encouraged support for the process.

Accomplishments of the 2021–2025 membership of the Committee of Experts on International Cooperation in Tax Matters

9. The four-year term of the members of the Committee of Experts on International Cooperation in Tax Matters came to a close in the first half of 2025. The Committee is recognized for its work in norm shaping and policy shaping and its practical guidance on domestic and international tax policy. It supports efforts to mobilize domestic resources for sustainable development, in particular in developing countries. The membership of the Committee for the next four-year term will be appointed by the Secretary-General in the second half of 2025.

10. The increasing use of digital technologies and the emergence of new business models make it more possible for companies to be highly profitable and yet pay relatively little tax anywhere. Multinational enterprises may not need a physical presence to do business, and it is increasingly unclear where value addition occurs, especially with regard to digital services. In this context, the Committee of Experts agreed to amendments to the United Nations Model Double Taxation Convention between Developed and Developing Countries, resulting in a 2025 version of the document. New article 12AA (Fees for services) provides the possibility of simplifying and modernizing the rules for taxing services in bilateral tax treaties and provides useful guidance on the accompanying domestic law. Other provisions of the 2025 United Nations Model Convention, such as the subject-to-tax rule (which allows a contracting State to tax any income arising in that State and derived by a resident of the other contracting State, if that income is subject to a low level of taxation in the other State), help to combat illicit financial flows.

³ General Assembly resolution [79/235](#).

11. The Committee also finalized the proposed text for a multilateral fast-track instrument to provide for the speedier implementation of specific relevant provisions of the United Nations Model Convention in bilateral treaty networks in 2024 (see [E/C.18/2025/2](#)). In June 2025, the Economic and Social Council noted the work and invited Member States that wished to facilitate the implementation, in existing bilateral treaties, of specific provisions of the United Nations Model Convention to take the document forward with a view to the adoption of a multilateral instrument based on that document.⁴ Once in force, such an instrument would enable speedier adoption by like-minded countries of, among other provisions, changes to the United Nations Model Convention that would help to counter tax-related illicit financial flows.

12. The Committee has also continued to provide guidance to assist countries in applying the arm's length standard to cross-border intercompany transactions, an important component of profit shifting-related illicit financial flows, including specific guidance on agricultural products⁵ and the pharmaceutical sector. In relation to the extractives industries, guidance on product valuation also helps to combat mispricing-related illicit financial flows.

13. The Committee recently finalized the *United Nations Handbook on Wealth and Solidarity Taxes*,⁶ which includes specific guidance on net wealth taxes. A net wealth tax requires individuals to declare and value their total wealth, both domestic and foreign, making it harder to hide assets in secretive jurisdictions or through complex structures. The information collected could support the design and administration of other taxes to curb tax-related illicit financial flows. The Committee also completed guidance on digitalization of tax administration which aims to equip revenue authorities with the digital knowledge and tools to combat illicit financial flows and tax evasion.

14. Lastly, the Committee is finalizing a United Nations guide to increasing tax transparency. The guide provides a comprehensive look at how increased tax transparency through the exchange of information can be used to boost tax revenues and guidance to countries that are new to the exchange of information. It also provides guidance to counter tax-related illicit financial flows and curb tax evasion through increased tax transparency and addresses cross-border assistance in tax collection.

Progress made by other forums for international tax cooperation

15. Regarding the Organisation for Economic Co-operation and Development (OECD)-housed Inclusive Framework on Base Erosion and Profit Shifting, a two-pillar approach to addressing digitalization and globalization has been under discussion since 2015. Amount A of Pillar One includes a limited departure from the arm's length principle for allocating taxing rights on corporate profits for a share of the profits of the largest and most profitable multinational enterprises globally. However, the future of Pillar One is in doubt, as the 2023 draft text of the multilateral convention to implement Amount A of Pillar One required for implementation of the major components of the plan included the provision that its entry into force would require the convention to be ratified by at least 30 jurisdictions, one of which must be

⁴ See [E/2025/45-E/C.18/2024/4](#), chap. I.B.

⁵ See <https://financing.desa.un.org/document/guidance-transfer-pricing-agricultural-products-advanced-unedited-version>.

⁶ See <https://financing.desa.un.org/what-we-do/ECOSOC/tax-committee/publications>.

the United States of America.⁷ In January 2025, the United States indicated that the agreement would have no force or effect in that country.⁸

16. Pillar Two is designed to limit the incentives for jurisdictions to engage in tax competition and for corporations to shift profits to low- or no-tax jurisdictions by establishing global minimum corporate tax rules that allow jurisdictions to top up the effective tax paid on excess profits by a large multinational enterprise to 15 per cent, under a strict rule order either at source through a domestic minimum tax, in the jurisdiction of the enterprise's headquarters, or in all jurisdictions where the enterprise has a subsidiary or a branch. The vast majority of Group of 20 member countries, including all members of the European Union, have already enacted legislation to implement at least some parts of Pillar Two. Many non-Group of 20 countries that are members of the Inclusive Framework on Base Erosion and Profit Shifting have chosen to implement a domestic minimum top-up tax to ensure that large multinational enterprises operating in their jurisdictions do not have any low-taxed profits that can be taxed in other jurisdictions.

17. The subject-to-tax rule under Pillar Two would allow source countries to tax a more limited set of outbound intragroup payments compared with the United Nations Model Convention provisions of the subject-to-tax rule. As of September 2024, the multilateral convention to facilitate implementation of the subject-to-tax rule under Pillar Two was signed by nine States Members of the United Nations, but had not entered into force in any jurisdiction.

18. The 2015 OECD/Group of 20 Action Plan on Base Erosion and Profit Shifting included additional minimum standards, some of which were implemented through a November 2016 multilateral legal instrument. As of June 2025, the multilateral legal instrument on base erosion and profit shifting had been ratified by 85 Member States (4 more than in 2024) and four other jurisdictions, including 11 African States and three least developed countries.

Tax transparency and information exchange

19. Tax transparency refers to the disclosure of relevant information by taxpayers, tax authorities and other stakeholders to ensure accountability, combat tax evasion and promote fair tax practices. International cooperation is essential to exchange the information necessary to reveal tax evasion and enable enforcement. At the Fourth International Conference on Financing for Development, Member States committed to enhancing tax transparency while recognizing the challenge that countries in special situations faced.

20. The OECD-housed Global Forum on Transparency and Exchange of Information for Tax Purposes supports the implementation of legal instruments that enable information exchange, such as the Convention on Mutual Administrative Assistance in Tax Matters and the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information. As of June 2025, the membership of the Global Forum included 152 States Members of the United Nations and 20 other jurisdictions, including 22 least developed countries, 39 African countries and 35 small island developing States.

⁷ For entry into force, ratifying jurisdictions must account for at least 60 per cent of the ultimate parent entities of multinational enterprises initially expected to be in scope for Amount A. See <https://www.oecd.org/content/dam/oecd/en/topics/policy-issues/cross-border-and-international-tax/multilateral-convention-to-implement-amount-a-of-pillar-one.pdf>.

⁸ See <https://www.whitehouse.gov/presidential-actions/2025/01/the-organization-for-economic-co-operation-and-development-oecd-global-tax-deal-global-tax-deal/>.

21. However, as a practical matter, to receive information, countries must join the Global Forum, meet confidentiality and threshold requirements, and bilaterally match with other countries for the automatic exchange of information. As of November 2024, 11 African countries and 3 least developed countries intended to send and receive information, and no least developed countries were reported to have actually received any information.

22. Information exchange for tax purposes can take place on request, spontaneously or automatically. Most of the information provided on request is exchanged through the Global Forum, as all its members are obligated to implement the body's agreed standards for transparency and exchange of information, including both exchange of information on request and automatic exchange of information. Overall, 88 per cent of Global Forum member jurisdictions have been rated as either compliant or largely compliant with the standards for information exchange on request. The most significant gaps in implementing agreed standards on transparency and exchange of information have been identified in relation to the availability of beneficial ownership information (see sect. III of the present report). In 2023, 125 Global Forum member jurisdictions reported having engaged in information exchange on request, amounting to more than 28,970 requests for information.

23. Automatic exchange of financial account information has been greatly expanded since the adoption of the Standard for Automatic Exchange of Financial Account Information in Tax Matters, in 2014. Under this framework, tax authorities receive information on the financial accounts held by their taxpayers in other jurisdictions, which helps the authorities to detect undeclared income or assets. However, there are exceptions. Developing countries that are not part of the Group of 20 and are not considered investment hubs have not yet been asked by the Global Forum to commit to automatic exchange. According to Global Forum data, information on more than 134 million financial accounts, with a total value of €12 trillion, was exchanged in 2023. Members considered by the Global Forum as developing countries received information on over 40 million financial accounts, covering assets of nearly €2.7 trillion in 2023.

24. In addition, the United States has not committed to automatic exchange through the Global Forum. The status of the United States and its information receipt and provision has not changed since 2024.⁹

25. In August 2022, OECD approved the Crypto-Asset Reporting Framework, which provides for the reporting of tax information on transactions in crypto-assets in a standardized manner with a view to automatically exchanging such information. As of March 2025, 44 Member States – including one African country but no least developed countries – and six other jurisdictions had signed an international legal instrument that would enable exchanges to commence by 2027.

Transparency in corporate income and taxation

26. A common international tax planning strategy relating to multinational enterprises is to shift profits to low- or no-tax jurisdictions. In 2015, as part of the OECD/Group of 20 Action Plan on Base Erosion and Profit Shifting, a minimum standard was set that required multinational enterprises to prepare a country-by-country report with aggregate data on the global allocation of income, profit, taxes paid and economic activity among tax jurisdictions in which they operated. The country-by-country reports, prepared by multinational enterprises with revenues above a threshold of €750 million, are typically submitted to the authorities in the jurisdiction in which they are headquartered and are intended to enable high-level risk

⁹ For a full description, see [A/78/186](#).

assessments of multinational enterprise transfer pricing, which can help to prioritize further investigation. The OECD-hosted Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports facilitates the exchange of the reports so that the headquarters jurisdiction, which receives the master file, may share the country reports with the relevant jurisdictions in which the multinational enterprises have operations.

27. OECD prepares and publishes data from anonymized and aggregated country-by-country reports. The July 2024 publication covered data from 52 jurisdictions for nearly 8,000 multinational enterprise groups for their fiscal year ending in 2021, the same number of jurisdictions that had reported in the previous year.¹⁰ Japan and the United States still host the most multinational enterprise headquarters in the data, with 23 per cent and 12 per cent of the multinational enterprises, respectively, unchanged from the previous year. As in past years, the data provide evidence of misalignment between where profits are reported and taxes are paid and the locations at which economic activity occurs. There is some evidence that the extent of misalignment may have decreased in recent years, as reported revenue per employee in investment hubs has decreased. In investment hubs, on average, multinational enterprises report a relatively high share of profits (18 per cent) compared with their share of employees (4 per cent) and tangible assets (12 per cent).

28. As of April 2025, 97 Member States and 15 other jurisdictions were Parties to the multilateral agreement for exchanging country-by-country reports. Under the agreement, both countries must bilaterally activate a relationship to exchange reports. Some further jurisdictions exchange information on the basis of bilateral agreements. In March 2024, OECD reported that there were over 4,300 activated bilateral relationships for the exchange of country-by-country reporting information.

29. The United States remains unique among Group of 20 countries in not having signed the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports, which makes it more difficult to receive the country-level reports of a large number of multinational enterprises that are headquartered in that country. The United States retains bilateral agreements (in place or under negotiation) with 50 Member States and six other jurisdictions, with negotiations with 1 new country having begun in the past year.¹¹

30. Public transparency in country-by-country reports could be a solution to the lack of information flows to developing countries. Multinational enterprises above a threshold could be required to publish the reports or submit them to a central repository accessible to all. A European Union directive will require publication of country-by-country information on large multinational enterprises disaggregated by each European Union member State, along with similar information on the rest of the world combined, beginning in 2026. At the Fourth International Conference on Financing for Development, Member States agreed to work to strengthen country-by-country reporting by multinational enterprises, when applicable, including further evaluating the creation of a central public database for country-by-country reports.

Capacity-building for tax and domestic resource mobilization

31. Member States have continued to recognize the need to increase capacity-building for domestic revenue systems. The Sevilla Commitment includes a specific action to scale up demand-based institutional, technological and human capacity-building support to developing countries for fiscal systems and domestic resource

¹⁰ Organisation for Economic Co-operation and Development (OECD), *Corporate Tax Statistics 2024* (Paris, OECD, 2024), available at <https://doi.org/10.1787/9c27d6e8-en>.

¹¹ See <https://www.irs.gov/businesses/country-by-country-reporting-jurisdiction-status-table>.

mobilization. It also includes the request that development partners collectively at least double that support to developing countries by 2030 and that the increase be targeted at developing countries aiming to increase tax-to-gross domestic product ratios, especially those seeking to increase their ratios to at least 15 per cent.

32. Donor-funded disbursements of official development assistance by OECD donor countries coded as being for the purpose of domestic revenue mobilization have fluctuated greatly, peaking in 2020. Total disbursements in 2023 amounted to \$233 million, a large decline from the \$368 million reported in 2022.

33. As part of its capacity-development work to combat tax-related illicit financial flows, the Department of Economic and Social Affairs is implementing a four-year Development Account project (2024–2027) focused on identifying vulnerabilities to aggressive tax avoidance and assessing sector-specific risks – in particular in extractives, tourism and construction – and supports developing countries in designing tailored responses.

34. Regionally, Member States are strengthening dialogue on tax cooperation and preparing common positions to take to international forums. In May 2025, Brazil assumed the rotating presidency of the Regional Platform for Tax Cooperation in Latin America and the Caribbean during an Economic Commission for Latin America and the Caribbean fiscal seminar. Building on a May 2023 memorandum of understanding, the African Tax Administration Forum has been serving as the technical adviser on taxation to the African Union. In April 2025, the Forum announced its efforts to revise its Model Tax Agreement with the aim of strengthening the position of Africa in international tax treaty negotiations. At the Conference of African Ministers of Finance, Planning and Economic Development meeting held in April 2025, members of the Economic Commission for Africa were urged to engage constructively in the ongoing negotiations on a United Nations framework convention on international tax cooperation, which represented a crucial opportunity to establish inclusive, transparent and effective tax governance that benefited all States.¹²

III. Anti-money-laundering and beneficial ownership transparency

35. The need to combat money-laundering is established in numerous international legal instruments, including the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, the United Nations Convention against Transnational Organized Crime and, extensively, article 14 of the United Nations Convention against Corruption. The Financial Action Task Force, a Paris-based, limited-membership independent body established in 1989, sets international standards to tackle money-laundering, terrorist financing and proliferation financing. Its members include 36 States Members of the United Nations and three other jurisdictions, two of which are regional bodies. In the Sevilla Commitment, the Task Force is encouraged to continue to mitigate unintended consequences of anti-money-laundering/countering the financing of terrorism measures and ensure the meaningful inclusion of developing countries in its decision-making processes to ensure that their voices are heard and that the work and processes of the Task Force take into account the unique contexts and capacities of developing countries.

36. At a plenary meeting in June 2025, the Financial Action Task Force agreed to modify its recommendation 16 on payment transparency in order to increase clarity on those who send and receive money through cross-border payments of more than

¹² See <https://www.uneca.org/eca-events/sites/default/files/resources/documents/com/2025/2500593e.pdf>.

\$1,000 or €1,000. For all such payments, information on the beneficiary of the payment is now required. Through the streamlining of the requirements for information that must be collected in payment messages, the changes are aimed improving the efficiency of collecting information on cross-border payments. New requirements relating to the use of technology to prevent fraud and errors are aimed at better protecting customers.

37. The Financial Action Task Force has begun its next cycle of mutual evaluations, which will include over 10 revised standards¹³ pertaining to the confiscation and recovery of stolen assets, international cooperation, beneficial ownership, payments and the protection of non-profit organizations from abuse for the purposes of terrorism financing, among others. The Task Force, the United Nations Office on Drugs and Crime (UNODC), the International Monetary Fund and the World Bank (with observer status) are actively engaged, according to their respective mandates, in ensuring that low-capacity countries receive the guidance and support needed to improve their effectiveness in combating money-laundering and terrorism financing. UNODC is mandated to support Member States in implementing the international policy and normative framework to combat money-laundering and the financing of terrorism. In 2024, UNODC supported 88 Member States in improving the effectiveness of their anti-money-laundering/countering the financing of terrorism frameworks.

Beneficial ownership transparency

38. Beneficiaries of illicit financial flows commonly rely on secrecy to disguise or hide their activities and often use opaque legal structures to that end. In many cases, only the “legal owners” of an asset or a legal vehicle (e.g. a company) are known. Shell companies, which are corporate entities that have no independent activities, are set up only to be the legal owner of assets and other corporate entities, with transactions spread across multiple jurisdictions. A basic method for addressing these risks is identifying the “beneficial owners” of legal vehicles – the natural persons who ultimately own, control or benefit from the entity – thereby allowing fair taxation and enforcement of the law. Information on beneficial owners is required under international anti-money-laundering standards, international standards for exchange of information for tax purposes and the United Nations Convention against Corruption.

39. As mandated by the Conference of the States Parties to the United Nations Convention against Corruption in its resolution 10/6, adopted in December 2023, UNODC convened an intergovernmental meeting on enhancing the use of beneficial ownership information to strengthen asset recovery in Vienna on 14 and 15 April 2025. The meeting brought together 70 experts from 35 jurisdictions, representing international organizations and initiatives, the private sector, corporate registry authorities, law enforcement and asset recovery agencies, anti-corruption bodies, financial intelligence units and judicial authorities, facilitating a rich exchange of experiences and perspectives on the topic. The meeting was informed by a series of regional dialogues that UNODC held, in partnership with the Stolen Asset Recovery Initiative and the civil society organization Open Ownership, in Africa, Latin America and South-East Asia in late 2024, during which specific regional challenges and recommendations were identified. A set of case studies on good practices and challenges in using beneficial ownership information, including across borders, will be published by the end of 2025.

¹³ See <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatf-recommendations.html>.

40. Notwithstanding the trend in strengthening beneficial ownership transparency, implementation-related challenges remain. They include the varying scope of legal entities covered, as well as the type and level of detail of beneficial ownership information and the absence of effective mechanisms for the verification, monitoring and timely updating of the information collected.¹⁴ There also remain challenges relating to information access, although some Member States are providing immediate, unfiltered, direct and free access to beneficial ownership information held in national registries. In Europe, countries have created a tool to link national central registers containing information on the beneficial owners of companies and other legal entities, trusts and other types of legal arrangements. It will gradually connect the beneficial ownership registers of all European Union countries, as well as Iceland, Liechtenstein and Norway. Such interoperability is enhanced by efforts to ensure the consistency of data sets for companies, such as the legal entity identifier – a global identifier of any entity that engages in financial transactions – with beneficial ownership information, such as through the Beneficial Ownership Data Standard.

41. In the Sevilla Commitment, Member States agreed to enhance mechanisms for information exchange among national beneficial ownership registries and to consider the feasibility and utility of a global beneficial ownership registry.

IV. Combating illicit financial flows relating to the proceeds of crime and corruption

42. The United Nations Convention against Corruption is the only legally binding global instrument relating to all forms of corrupt behaviour in the public and private sectors. The 191 Parties to the Convention against Corruption include 185 Member States and 5 other jurisdictions, an increase of one over the prior year. A further 11 jurisdictions are covered by territorial extension as notified by Member States that are Parties to the Convention against Corruption. One Member State has signed but not yet ratified the Convention against Corruption. The Convention against Corruption is complemented by a number of regional and cross-regional anti-corruption conventions. The United Nations Convention against Transnational Organized Crime also includes relevant commitments regarding the transfer of the proceeds of crime. The Organized Crime Convention comprises 193 Parties, including 189 Member States and 4 other jurisdictions. There are 13 further jurisdictions covered by territorial expansion, while 2 additional Member States have signed but not yet ratified the Organized Crime Convention.

Combating corruption

43. Progress made by States Parties in meeting their commitments is assessed within the Mechanism for the Review of Implementation of the United Nations Convention against Corruption. In the first review cycle, which began in 2010 and covered chapters III (“Criminalization and law enforcement”) and IV (“International cooperation”) of the Convention, 177 reviews were completed. In the second review cycle, which covers chapters II (“Preventive measures”) and V (“Asset recovery”), 115 reviews had been completed as at 12 June 2025.

44. At the tenth session of the Conference of the States Parties to the United Nations Convention against Corruption, held in December 2023, the Conference decided to extend the duration of the second review cycle until June 2026 (Conference decision 10/2). In the same decision, the Conference also decided that the Implementation Review Group should dedicate the time necessary to continue its discussions on

¹⁴ See [CAC/COSP/2023/16](#).

assessing the performance of the Implementation Review Mechanism, as well as on the scope, thematic sequence and details of the next review phase, to submit recommendations to the Conference at its eleventh session in that regard and to endeavour to launch the next phase as soon as possible. Since then, the Group's sessions have included a focus on discussing the next phase of the Mechanism.

45. There has been broad consensus among Parties to the Convention that the next review phase should include a focus on following up on the outcomes of the first review cycle in accordance with the terms of reference of the Mechanism. Parties have also discussed the possibility of moving from the current approach, which is based primarily on assessing legislative compliance, towards one involving an analysis of the effectiveness of measures taken to implement the Convention.¹⁵

46. The UNODC Global Operational Network of Anti-Corruption Law Enforcement Authorities (GlobeE Network) has grown to include 216 authorities from 118 States Parties to the Convention. The fifth plenary meeting was held in Beijing in September 2024, resulting in a Beijing consensus on law enforcement cooperation and denial of safe haven for corruption.¹⁶ Two new tools – the guiding principles for the exchange of information and the model agreement for the exchange of information – were developed by the Network to support voluntary, timely and structured cooperation among jurisdictions. In parallel, the Network is advancing the customization of its secure communication platform to facilitate confidential real-time exchanges between members, further operationalizing its mandate to promote effective cross-border collaboration in the detection and disruption of financial crimes.

Asset recovery and return

47. Effective mechanisms for the recovery and return of assets have a significant impact on efforts to combat illicit financial flows and can be a crucial tool in deterring such flows. Efforts to trace, freeze and seize stolen assets across borders have become significantly more effective in recent years. Although substantial, the amount recovered remains a small fraction of the estimated total of illicit financial flows, and institutional, operational and legal challenges and constraints persist.

48. Together with the Governments of Ethiopia, Kenya and Switzerland, UNODC has organized a series of international expert meetings on asset return and the 2030 Agenda, known as the Addis process. The process was initiated in 2015, taking into account of the fact that, in paragraph 25 of the Addis Ababa Action Agenda, the international community was encouraged to develop good practices on asset return. The meetings have contributed to the advancement of the knowledge of practitioners on a variety of topics, including: (a) the management and disposal of recovered and returned stolen assets, including in support of sustainable development; (b) challenges to international cooperation on the return of assets and innovative ways to overcome them; and (c) the contribution of asset recovery to the implementation of the 2030 Agenda. The fourth meeting of the Addis process was held in Addis Ababa from 11 to 13 December 2024 and was co-hosted by Ethiopia and Switzerland. It brought together representatives from over 25 jurisdictions, seven civil society organizations and several multilateral organizations. The meeting was focused in particular on partnering with multilateral actors and using multilateral funds as vehicles for asset return,¹⁷ as well as recent cases of asset return and their impact on sustainable development.

¹⁵ See [CAC/COSP/IRG/2025/5](#), para. 14.

¹⁶ See https://globenetwork.unodc.org/globenetwork/uploads/documents/events/20240927_PM5_Outcomes_final.pdf.

¹⁷ See <https://www.unodc.org/corruption/en/uncac/expert-meetings/addis4-egm-2024.html>.

49. Since its establishment in 2007, the joint UNODC-World Bank Stolen Asset Recovery (StAR) Initiative has assisted over 35 countries in drafting legal frameworks, setting up the institutional structure and building the skills necessary to trace and return stolen assets. In 2024, the Initiative provided various types of assistance to a total of 13 countries and trained over 250 people. Through the Global Forum on Asset Recovery Action Series, the Initiative has supported nine countries – Algeria, Honduras, Iraq, Nigeria, the Republic of Moldova, Seychelles, South Africa, Ukraine and Zambia – which received support through a structured approach to asset recovery case consultations and the organization of over 80 bilateral and multijurisdictional meetings between requesting and requested countries. The Action Series has facilitated the exchange of information, enhanced practitioners' knowledge and built trust.

V. Cross-cutting approaches

Role of non-governmental stakeholders, journalists and the media

50. Whistle-blower protection is a key contributor to better detecting, investigating and, ultimately, prosecuting corruption. A robust reporting and protection system is a cornerstone of efforts to combat corruption and is recommended in article 33 of the United Nations Convention against Corruption. Other stakeholders play a role in bolstering accountability; for example, media reports have contributed to enhanced understanding of financial integrity issues. In the Sevilla Commitment, Member States agreed to support the role that the media and civil society play in fairly, transparently and ethically exposing illicit financial flows.

Regulatory policies regarding professional service providers

51. A wide variety of individuals and entities are involved in creating and executing the many complex transactions that make up an illicit financial flow, which can result in hidden or disguised assets. It can include lawyers, accountants, corporate service providers, real estate agents, bankers, investment advisers and persons in many other types of professions. The Financial Action Task Force standards include the expectation that some designated non-financial businesses and professions have obligations relating to anti-money-laundering enforcement. However, the lack of national frameworks for risk-based regulation often leads to regulatory and supervisory inconsistency across professions and geographies.

52. In resolution [79/234](#), the General Assembly requested that United Nations departments and offices jointly prepare a global mapping of existing business regulatory policies, standards and guidelines, in consultation with stakeholders. While a budget has been agreed by the Assembly for that work, due to the budgetary liquidity crisis and the hiring freeze, the Secretariat has not been able to recruit staff to conduct the work.

53. Ensuring appropriate regulatory policies regarding professional service providers remains critical to combating financial and economic crime. Professional service providers are instrumental in the tax avoidance and tax evasion schemes of both wealthy individuals and corporate entities. Professional service providers engaged in illegal activities are part of most large criminal finance and corruption activities. There is an increasing need to support Member States in understanding these typologies and in preventing, detecting and disrupting their activities. The Sevilla Commitment includes a commitment to effectively regulating professional service providers, as appropriate, at the national level and promoting global discussions on standardizing regulatory regimes of those providers involved in illicit financial flows.

Illicit financial flow measurement framework and estimates

54. Measuring and tracking illicit financial flows is extremely challenging because of the hidden nature of the underlying activities. In the Conceptual Framework for the Statistical Measurement of Illicit Financial Flows, endorsed by the Statistical Commission, the multidimensional nature of illicit financial flows is taken into account and their statistical definition as financial flows that are illicit in origin, transfer or use, reflect an exchange of value and cross country borders is provided. The co-custodians of Sustainable Development Goal indicator 16.4.1 on illicit financial flows – UNODC and the United Nations Conference on Trade and Development – are continuing to improve standardized guidance on methodologies for measuring illicit financial flows to report on the indicator. To date, 23 countries have benefited from the co-custodians' assistance in building statistical and analytical capacity to measure illicit financial flows and in using data for evidence-based policymaking, with the support of United Nations regional commissions. In resolution [79/234](#), the General Assembly requested that the custodian agencies strengthen support to Member States, especially developing countries, and empower national authorities to track and curb the flows and exchange good practices, and invited Member States and United Nations system entities to cooperate on and align themselves with such concepts and methods. Unfortunately, the budgetary situation has impeded efforts to strengthen support to Member States notwithstanding a request made during the seventy-ninth session of the Assembly. Some 40 countries are awaiting bilateral support, training, guidance and tools to enable effective tracking and curbing of illicit financial flows to strengthen their domestic resources.

55. To date, only a few countries globally have provided data on illicit financial flows, although the completed estimates reveal staggering figures. For example, the opiate economy in Myanmar generated up to \$1.3 billion in illicit financial flows, including those derived from illegal markets, in 2023, while, along the Balkan route, the management of drug trafficking profits potentially produced up to \$6.9 billion in illicit financial flows annually between 2019 and 2022. Work is continuing in Costa Rica to measure illicit financial flows relating to drug trafficking. In Africa, preliminary estimates have revealed that illicit financial flows from trade misinvoicing could account for between 5 and 30 per cent of official trade, with illicit financial flows in Namibia potentially exceeding 8 per cent of gross domestic product in 2022. The Economic Commission for Africa is currently working with Burkina Faso, Gabon, Kenya, Nigeria, Senegal and Uganda to train government officials on measuring illicit financial flows using country-owned data to produce estimates. Thus far, the findings from measurements have underscored the urgent need for better data, improved inter-institutional cooperation and evidence-based policy action to curb illicit financial flows and redirect lost funds to the achievement of sustainable development for all.

56. Governments stand to gain substantially from the increased availability of estimates of different components of illicit financial flows. Detailed and disaggregated estimates can be valuable tools to improve the capacity of country authorities to detect and curb different flows and to shape more effective evidence-based policies.

International coordination on financial integrity

57. Operating in institutional silos undermines the international community's ability to identify and address gaps in existing policy. While there are established international normative frameworks for dealing with illicit financial flows relating to the proceeds of crime, including tax crime, and corruption, there is no venue for dialogue that cuts across those frameworks. To address potential coordination gaps,

the Sevilla Commitment included a decision to establish a special meeting of the Economic and Social Council on financial integrity. The meeting was explicitly mandated to foster dialogue on financial integrity at a systemic level, discuss unintended consequences of financial integrity policies and exchange best practices, including on the use of technologies to combat illicit financial flows effectively. The Council can serve as an effective host for coordination among Member States, international institutions (including United Nations system and non-United Nations entities) and external stakeholders.

VI. Summary and conclusions

58. Member States are strengthening measures to combat illicit financial flows across many policy areas and domains. However, many challenges remain, not least because of the large financial incentives for perpetrators of illicit financial flows and the difficulty for Governments to implement rules and regulations to keep pace with evolving practices. Weaknesses in implementation at the national level are compounded by shortcomings in the international frameworks. However, the agreement on the Sevilla Commitment demonstrates the intention of Member States to further advance policies that support financial integrity and combat illicit financial flows.

59. Strengthening international frameworks, combined with effective implementation, can improve trust, help to rebuild the social contract and generate public resources for investment in sustainable development. Actions are needed in all Member States, whether they are source countries of illicit financial flows, destination countries or transit countries. All Member States need to make good on the promise to take effective steps to prevent illicit financial flows from entering their jurisdictions.

60. The strengthening of international norms must be coupled with stronger efforts towards implementation, scaled up technical assistance and exchange of best practices to support implementation. Only through increased transparency and greater accountability can Member States overcome substantial and persistent challenges to combat illicit financial flows effectively. By redoubling efforts to combat illicit financial flows and the activities that generate them, such as tax avoidance and evasion, corruption and money-laundering, Member States will advance financial integrity and make greater progress towards achievement of the Sustainable Development Goals.
