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преступных доходов
и финансированию терроризма

Eurasian Group on Combating Money Laundering
and Financing of Terrorism

EAG TYPOLOGIES PROJECT

LAUNDERING OF THE PROCEEDS FROM CORRUPTION OFFENCES AND CRIMES AGAINST THE INTERESTS OF PUBLIC SERVICE

2023

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Abbreviations and Acronyms

AC	Anti-Corruption
ACB	Anti-Corruption Bureau
AML	Anti-Money Laundering
CBI	Central Bureau of Investigation
CBS	Core Banking System
CFT	Combating the Financing of Terrorism
CPC of RF	Criminal Code of Russian Federation
CPF	Country Programme Framework
CVC	Central Vigilance Commission
CVO	Chief Vigilance Officer
DSPE	Delhi Special Police Establishment
EAG	Eurasian Group
ED	Directorate of Enforcement (Anti-Money Laundering Agency of Republic of India)
FATF	Financial Action Task Force
FIR	First Information Report
FIU	Financial Intelligence Unit
FMS	Financial Monitoring Service
ID	Identity Document
INR	Indian Rupee
IPC	Indian Penal Code
KYC	Know Your Customer
LEA	Law Enforcement Agency
ML	Money Laundering
MLAT	Mutual Legal Assistance Treaty
NGO	Non-Government Organization
NPA	Non-Performing Asset
PAN	Permanent Account Number
PEP	Politically Exposed Person
PMLA	Prevention of Money Laundering Act, 2002 of Republic of India
PoC	Proceeds of Crime
STR	Suspicious Transaction Report
USD	United States Dollar
WGTYP	Working Group on Typologies and Combating the Financing of Terrorism and Crime

Introduction

1. Corruption is the nemesis of economic and social development of a nation in more than one way. In addition to the significant deleterious effects of the menace of corruption on the incidences of poverty, disease, national security and political instability; corruption can cause catastrophic harm to the economic development and ability to fight against organized crimes, environmental damages and degradation of natural resource. It also accentuates social inequities and may cause loss of livelihood for the vulnerable sections of the society.
2. Corruption challenges the very basis of democracy and rule of law leading to loss of respect for the law which impedes effective governance. It also leads to flight of capital, inefficiency in system, inequitable distribution of wealth, social strife etc.
3. Steps taken by the national governments and international institutions have failed to eradicate the menace of corruption. In fact, it appears that the policies and measures taken have failed to make significant dent in the phenomenon of corruption in the developing countries. More the social inequities and vulnerability of the society, more is the susceptibility of the system to fall prey to the menace of uncontrolled corruption. Even the unprecedented social and economic turmoil across the globe during the period of COVID-19 pandemic led to paradigm shift in the way economy and society operate, corruption continues to pose a grave threat to economic growth, sustainable development and trust between the governments and its citizens.
4. The offences can range from petty or systemic corruption, in which public officials or employees receive money to perform (or refrain from performing) official acts to large scale corruption, in which those at the political, decision-making levels of government use their office to enrich themselves, their families, and their associates. Corruption is not limited to the Government and Public Sector, but is also prevalent in Private Sector, Banks, Financial Institutions etc.
5. Corruption manifests itself through reduced economic performance caused by various factors such as increase in inefficiency of system, wastage / diversion of public money, reduction in private investment, adverse effect on the quantity and quality of public infrastructure, reduction in collection of tax revenue, resulting in a shallower and less efficient financial system and reduction in human capital formation.
6. Corruption also leads to inefficiency in the system leading to below par performance of the system due to shift in focus of the corrupt officials and policy makers. It has cascading and long-term effects, which are detrimental to the economy and also to the security of the nation.
7. Similar to other serious crimes, corruption offences, such as bribery and theft of public funds, are generally committed for the purpose of obtaining private gain. Corruption and money laundering are two facets of the same coin and are intrinsically linked. Corruption leads to generation of huge proceeds of crime, which requires a system for its laundering and placement. The process of laundering creates a flourishing ecosystem of middlemen, professional launderers, overseas intermediaries, hawala operators [a South Asian terminology for persons who take cash at one place and give delivery of the same (or equivalent value in different currency) at other location internationally / locally], complicit bankers and businessmen for laundering of huge proceeds of crime. With time, these intermediaries become a threat to the system and wield more power than the officials and elected representatives.
8. Money laundering is the process of concealing illicit gains that are generated from criminal activity, placing the same in financial system, projecting the same as untainted etc. By successfully laundering the proceeds of a corruption offence, the illicit gains may be enjoyed without fear of it being confiscated. As long as it remains profitable, corruption will continue. That's why preventing money laundering and tracing and attaching proceeds of crime is vital to make sure that corruption does not pay.
9. Purpose of generation of proceeds of crime for any criminal activity including corruption is to bring such proceeds in the legal system and to enjoy fruits of criminal activity. Various innovative methods are being adopted by such person for unabated use of PoC (Proceeds of Crime).
10. Some of the methods adopted are use of trust structure, foundations, secretive jurisdictions to stash the loot and purchase of immovable properties overseas to obliterate the money trail. Overseas money

laundering has become a very important tool for successful obliteration of money trail as well as unrestricted use of PoC. Enhanced and rapid sharing of information and mutual cooperation between member states is key to trace and attach PoC and to repatriate the same to its originating country. International cooperation shall also act as a deterrence. It is very important to highlight success stories of international cooperation in the cases of money laundering to raise awareness as well as instill fear in the minds of launderers.

11. The fight against corruption is inextricably intertwined with that against money laundering. The corrupt public officials / fiduciary persons / politically exposed persons who have pilfered these assets are able to place, layer and integrate the same into the global financial network in a manner that does not raise suspicion.
12. Therefore, the first step to prevent and control money laundering shall be to make the financial dealings and asset creation with the use of black money impossible. Introduction of unaccounted cash in the banking system or acquiring of properties in the name of third party / name lenders should be made economically unviable. These third party / name lenders are dummy persons / entities who otherwise do not have legitimate business to explain acquisition of such assets.
13. In some ways, a public official or a politically exposed person (PEP), who gathers huge sums of money through corrupt means is far more vulnerable than ordinary white-collar criminals indulging in money laundering. A public official begins to draw unwanted attention as soon as he is associated with significant sums from unknown sources. Thus, the corrupt PEP's vulnerability presents an opportunity for the authorities engaged in both anti-money laundering / combating the financing of terrorism (AML/CFT) and anti-corruption (AC) enforcement.
14. The goal of this study is :-
 - (i) to analyze the menace of corruption in order to better understand corruption, its mechanisms and vulnerabilities, through an AML lens.
 - (ii) to identify various tools and methods used for money laundering in these cases.
 - (iii) to identify current trends, new threats, vulnerabilities and typologies that have been observed in corruption cases and subsequent money laundering, thus increasing awareness and opportunities for early detection.
15. The results of this study can be used by LEAs, FIUs, authorities engaged in anti-money laundering, anti-corruption enforcement, banking and financial sector and the private sector in the work carried out by them.
16. Study of the relevant typologies, current trends & methods and case studies of money laundering associated with corruption and awareness about vulnerabilities of the current system will assist member states in combating corruption and lead to greater effectiveness to both the AML and Anti-Corruption efforts.

Section 1 : Legislations Governing Offences of Corruption and Money Laundering

1.1 Legislations governing corruption and related offences

17. In the countries studied, the legislation governing corruption and related offences is mainly their Criminal Code. Legislations of the member countries dealing with Corruption and related offences are as follow –

Belarus

18. Belarus criminalises Corruption under Article 1 of the Law of the Republic of Belarus as under:-

“Corruption is the intentional use by a public official or a person of equivalent status or a foreign official of his or her official position and related opportunities in order to unlawfully obtain property or other benefit in the form of work, service, patronage, promise of advantage for himself or herself or for third parties, as well as bribing a public official or a person of equivalent status

or a foreign official by giving property or other benefit in the form of work, service, patronage, promise.”

19. Important Legislations for corruption and related offences in Belarus are as under :-
 - (i) Criminal Code of the Republic of Belarus;
 - (ii) Code of Criminal Procedure of the Republic of Belarus;
 - (iii) Law of the Republic of Belarus
20. Salient Feature of these legislations are –
 - (i) Law of the Republic of Belarus "On Combating Corruption" dated 15.07.2015, No. 305-Z, establishes the legal framework of state anti-corruption policy.
 - (ii) Article 461 of Criminal Code of the Republic of Belarus provides for special confiscation - compulsory seizure without compensation

Russia

21. Important Legislations for Corruption and related offences in Russia are as under :-
 - (i) The Criminal Code of the Russian Federation of 13.06.1996, No. 63-FZ;
 - (ii) Code of the Russian Federation on Administrative Offences of 30.12.2001, No. 195-FZ;
 - (iii) Federal Law "On the prohibition for certain categories of persons to open and hold accounts (deposits), keep cash and valuables in foreign banks located outside the territory of the Russian Federation, own and (or) use foreign financial instruments" dated 07.05.2013, No. 79-FZ;
 - (iv) Federal Law "On Countering Corruption" dated 25.12.2008, # 273-FZ;
 - (v) Federal Law "On Anti-Corruption Expertise of Normative Legal Acts and Draft Normative Legal Acts" dated 17.07.2009, No. 172-FZ;
 - (vi) Federal Law "On Control over Compliance of Expenses of Persons Occupying Public Posts and Other Persons with Their Income" dated 03.12.2012, No. 230-FZ;
 - (vii) Federal Law "On Preventing the Legalization (Laundering) of Proceeds of Crime and the Financing of Terrorism" dated 07.08.2001, No. 115-FL;
 - (viii) Federal Law "On Digital Financial Assets, Digital Currency and on Amendments to Certain Legislative Acts of the Russian Federation" dated 31.07.2020, No. 259-FZ.
22. Salient Features of National Anti-Corruption Strategy of Russia are measures provided to prevent corruption and to minimise and / or eliminate the consequences of corruption offences.

India

23. India is a signatory to the UN Convention against Corruption since 2005 and ratified the same by deposit of instrument of ratification on 9th May 2011 with the Secretary General of the United Nations. The Convention covers a wide range of acts of corruption and also proposes certain preventive policies. Important Legislations for corruption and related offences in India are as under :-
 - (i) Indian Penal Code, 1860
 - (ii) Code of Criminal Procedure, 1973
 - (iii) Prevention of Corruption Act, 1988
 - (iv) Central Vigilance Commission Act, 2003
 - (v) Lokpal and Lokayutka Act, 2013
24. Prevention of Corruption Act, defines “undue advantage” as –

“undue advantage” means any gratification whatever, other than legal remuneration.

However, the word “gratification” is not limited to pecuniary gratifications or to gratifications estimable in money;

Prevention of Corruption Act also criminalises corrupt conducts like bribery, misappropriation, acquiring a monetary advantage and having assets disproportionate to income.

25. Indian Penal Code, 1860 (IPC) :-
- (i) The IPC defines “public servant” as a government employee, officers in the military, navy or air force; police, judges, officers of Court of Justice, and any local authority established by a central or state Act.
 - (ii) Section 169 pertains to a public servant unlawfully buying or bidding for property. It provides for imprisonment, fine as well confiscation.
 - (iii) Section 409 pertains to criminal breach of trust by a public servant. It provides for punishment to public servant even with life imprisonment and fine.
26. Prevention of Corruption Act, 1988 (PC Act) :-
- (i) In addition to the categories included in the IPC, the definition of “public servant” includes office bearers of cooperative societies receiving financial aid from the government, employees of universities, Public Service Commission and banks.
 - (ii) The Act penalizes a public servant for takes gratification other than his legal remuneration; to influence the public by illegal means; for exercising his personal influence with a public servant and; accepting valuable thing without paying for it or paying inadequately from a person with whom he is involved in a business transaction in his official capacity.
 - (iii) Section 15 of the Act, criminalises even the attempt of offence under the Act.
27. Code of Criminal Procedure, 1973 consolidated the laws related to criminal procedure and extends to the whole of Republic of India. This provides procedure for criminal matters (including corruption cases) like attachment and forfeiture of property, conducting trial before courts, reciprocal arrangements for assistance etc.
28. Central Vigilance Commission Act, 2003 (CVC) :-
- (i) CVC can inquire or cause an inquiry or investigation to be made against a public servant, under Central Government.
 - (ii) CVC gives directions and exercises superintendence over the functioning of the Delhi Special Police Establishment (CBI, a premier law enforcement agency of India) in regard to the investigation of corruption offences committed under the Prevention of Corruption Act.
29. Lokpal and Lokayutka Act, 2013 :-
- (i) It provides for the establishment of a body of Lokpal for the Union and Lokayukta for States to inquire into allegations of corruption against public functionaries and public servants.
 - (ii) Body of Lokpal / Lokayukta is chaired by a person who is or has been a Chief Justice of India / Judge of the Supreme Court of India or an eminent person. Atleast half of its members are from all strata of society including women.
 - (iii) On receipt of a complaint, it conducts a preliminary inquiry itself or refers the matter to a Law Enforcement Agency.
 - (iv) It provides for confiscation and attachment of any property of any government official which he or she has come to own through corrupt practices and the same can be done during pendency of proceedings against the said official.

China

30. Legislations for Corruption and related offences in China are as under :-
- (i) Criminal Law of the People's Republic of China.
 - (ii) Supervision Law of the People's Republic of China.
 - (iii) Law of the People's Republic of China on Administrative Discipline for Public Officials.
31. Salient Feature of these legislations is that they are combination of Party Discipline and National Law.

Turkmenistan

32. Turkmenistan defined Corruption under Article 197 as under :-

“Corruption shall mean the commission by one or more public officials in positions of authority of deliberate acts endangering the interests of society and the State by creating a stable illegal

relationship with individuals or a group of individuals, abusing the authority of public officials or opportunities associated with them in order to obtain benefits for themselves or third parties in the form of money, securities, other property or property-related services or other property rights.....”

33. Important Legislations for Corruption and related offences in Turkmenistan are as under:-

- (i) The Criminal Code
- (ii) Criminal Procedure Code
- (iii) The Code of Administrative Offences
- (iv) The Prevention of Corruption Act No. 35-V of 01.03.2014
- (v) The Prevention of Offences Act No. 259-VI of 22.08.2020
- (vi) Law "On Ethics and Conduct of Public Servants" of 26.03.2016, No. 364-V
- (vii) Law "On Operative-Investigative Activity" of 08.11.2014, No. 136-V
- (viii) Law "On Public Service" of 26.03.2016, No. 365-V
- (ix) Law "On Combating Money Laundering, Financing of Terrorism and Financing Weapons of Mass Destruction Proliferation (new version)" of 21.03.2021, No. 335-VI

34. The salient features of the legalisation for commission of the Corruption are provided mainly under Article 196 (Abuse of office), Article 20 (Mediation in bribery) and Article 206 (Forgery in Office) of the Criminal Code.

Tajikistan

35. Article 1 of Law of the Republic of Tajikistan provides – “*Combating corruption is the activity of anti-corruption actors in the sphere of suppression, detection, disclosure, investigation and investigation of offences related to corruption and bringing the subjects of offences related to corruption to justice, elimination of causes and conditions of corruption and consequences of corruption offences*”.

36. Important Legislations for Corruption and related offences are as under :-

- (i) The Constitutional Law "On Prosecutor's Offices of the Republic of Tajikistan" of 25.07.2005, No. 107.
- (ii) Criminal Code of 21.05.1998, No. 575.
- (iii) Criminal Procedure Code No. 2009.
- (iv) Code of Administrative Offences, 2008.
- (v) Law "On Combating Corruption" dated 07.08.2020, No. 1714.
- (vi) Law "On the Agency for State Financial Control and Combating Corruption of the Republic of Tajikistan" dated 20.03.2008, No. 374.
- (vii) Law "On Anti-Corruption Expertise of Normative Legal Acts and Draft Normative Legal Acts", dated 28.12.2012, No. 925.
- (viii) Law "On Combating Money Laundering, Financing of Terrorism and Financing Weapons of Mass Destruction Proliferation" dated 25.03.2011, No. 684.
- (ix) Law "On Operative-Investigative Activity", dated 25.03.2011, No. 687.

37. Salient Feature of these legislations are that they contain provisions for non-interference in the activities of the Procurator's Office (Article 7), tasks and main activities of the Agency for State Financial Control and Anti-Corruption have been enumerated (Article 3) etc.

Kyrgyzstan

38. Article 336 of Criminal Code of the Kyrgyz Republic provides the following-

“Corruption - deliberate acts consisting in the creation of an unlawful stable connection of one or more officials with power with individuals or groups for the purpose of illegally obtaining material or any other benefits and advantages, as well as their provision of these benefits and advantages to individuals and legal entities, creating a threat to the interests of society or the state”

39. Important Legislations for Corruption and related offences are as under :-

- (i) The Law "On Combating Corruption" dated 08.08.2012, No. 153 is the main law aimed at combating corruption.

- (ii) The Law "On state, civil and municipal service" dated 27.10.2021, No. 125 contains norms aimed at preventing corruption in the civil and municipal service.
- (iii) The Law "On Protection of Persons Who Reported Corruption" dated 28.01.2019, No. 19 establishes guarantees and protection measures for persons who have reported corruption offences.

Uzbekistan

- 40. In Uzbekistan, corruption includes the following –
the unlawful use by a person of his official or official position in order to obtain a material or non-material benefit for his own benefit or for the benefit of other persons, as well as the unlawful provision of such a benefit.
- 41. In Uzbekistan, Criminal Code of the Republic of Uzbekistan, RA (Law) "On Combating Corruption" and various legal documents deal with the corruption and related offences.
- 42. Therefore, all member countries have legislations in place which govern Corruption and related offences, which have very specific salient features spanning from establishment of a specialised body or law enforcement agency to punishment, confiscation, legislative framework to stop interference and checking corruption.

1.2 Authorities given the mandate to implement the legislation governing corruption and related offences

Belarus

- 43. In Belarus, the authorities are General Prosecutor's Office, Ministry of Internal Affairs, State Security Committee, Operational and Analytical Centre, Investigation Committee, State Control Committee, State Customs Committee, State Border Committee, Ministry for Taxes and Duties, Ministry of Finance and National Bank of the Republic of Belarus.

Russia

- 44. In the Russian Federation, law enforcement agencies, other state agencies, local authorities and their officials inform the human resources departments of the relevant federal agencies, state agencies of constituent entities of the Russian Federation and local authorities for the prevention of corruption and other offences (human resources officials of these agencies are responsible for the prevention of corruption and other offences) of the facts of non-compliance with the state law that have come to their knowledge. In order to ensure coordination of the activities of federal executive authorities, executive authorities of constituent entities and local authorities in implementing state policy on combating corruption bodies are formed consisting of representatives of federal executive authorities, state authorities of constituent entities of the Russian Federation and other persons. In Russia, when information on the commission of corruption offences is received, the anti-corruption coordinating agencies pass it to the relevant state agencies authorised to verify such information and make decisions on the results of the verification in the manner prescribed by law. The Prosecutor General of the Russian Federation and prosecutors subordinate to him, within the limits of their authority, coordinate the activities of internal affairs bodies, federal security service bodies, customs authorities and other law enforcement agencies in combating corruption. The Prosecutor General's Office cooperate with the competent bodies of foreign states whereas authorised officials of state bodies, local authorities and organisations carry out checks of compliance with the restrictions, prohibitions and requirements established for the purpose of countering corruption by persons.

India

- 45. In India, the three main authorities involved in inquiring, investigating and prosecuting corruption cases are Central Vigilance Commission (CVC), Central Bureau of Investigation (CBI) and state Anti-Corruption Bureau (ACB).

- (i) The CBI and state ACBs investigate cases related to corruption under the Prevention of Corruption Act, 1988 and the Indian Penal Code, 1860. The CBI's jurisdiction is agency of Central Government and state ACBs are agencies of states.
 - (ii) The CVC is a statutory body that supervises corruption cases in government departments. The CVC can refer cases either to the Central Vigilance Officer (CVO) in each department or to the CBI. The CVC or the CVO recommends the action to be taken against a public servant.
 - (iii) All cases under the Prevention of Corruption Act, 1988 are tried by Special Judges who are appointed by the central or state government. This ensures the speedy trial of corruption offences.
46. Indian Penal Code, 1860 and Code of Criminal Procedure, 1973 – An Officer in-charge of Police Station is empowered to investigate the offence and the Magistrate of First Class can take cognizance and conduct trial.
47. Lokpal and Lokayukta Act, 2013 – Implemented by Lokpal (for the Union) and Lokayuktas (for the states).

China

48. In China, Supervisory Committees and Judicial Authorities at all levels, have been given the mandate to implement the legislations governing corruption and related offences.

Turkmenistan

49. In Turkmenistan, all public authorities and their officials are obliged to combat corruption within their competence.
- (i) Prevention, detection and suppression of offences related to corruption and bringing the perpetrators to justice is being carried out within their competence by the prosecution, internal affairs, national security, customs and border services, as well as financial, tax and other public authorities. When they receive information on the commission of corruption-related offences, the competent bodies take the measures prescribed by their competence or immediately pass it on to the public bodies authorized to verify that information and take decisions on the outcome of the verification.
 - (ii) The Procurator-General's Office coordinates anti-corruption activities and performs other functions prescribed by law.

Tajikistan

50. In Tajikistan, the authorities are the prosecutorial authorities, state financial control and anti-corruption agencies, bodies of internal affairs, bodies of national security and drug control authorities of the Republic of Tajikistan.

Kyrgyzstan

51. In Kyrgyzstan, anti-corruption is the activity of state authorities, local self-government bodies, civil society institutions, organizations and individuals within the limits of their authority. The authorities mainly given mandate to implement the legislation governing corruption and related offences are – Prosecutor's Office, State Committee for National Security and Ministry of Internal Affairs.

Uzbekistan

52. In Uzbekistan, the state bodies directly involved in combating corruption are the agency for counteracting corruption, office of the Procurator-General, the State Security Service, Ministry of Internal Affairs, Ministry of Justice and Department for Combating Economic Crimes in the Office of the Procurator-General.
53. Therefore, all member countries have agencies and framework in place to implement the legislations governing corruption and related offences.

1.3 Civil Action against offence of corruption

Belarus

54. In Belarus, special anti-corruption units in the performance of their tasks are entitled, with the approval of the prosecutor, to suspend (in whole or in part) the financial transactions of natural and legal persons for up to ten days, to restrict their right to manage property for the same period, if there are sufficient grounds to believe that funds and / or other property are received from persons involved in corruption offences.

Russia

55. In Russia, primarily three categories are provided –
- (i) An administrative fine on an official, a person who performs managerial functions in a commercial or other organization, a foreign official or an official of a public international organization shall entail an administrative fine on legal entities in an amount up to triple the amount of the money, securities, other property, property services or other property rights illegally transferred or provided or promised or offered on behalf of the legal entity.
 - (ii) the crime committed on a large scale (exceeding one million rubbles) shall be punishable by an administrative fine on legal entities of upto thirty fold of the amount of funds, cost of securities, other property or the value of property services or other property rights, illegally transferred or provided or promised or offered on behalf of the legal entity, but not less than twenty million rubles with confiscation of the money, securities, other property or the cost of property services or other property rights.
 - (iii) for the crime committed on a particularly large scale (exceeding twenty million rubbles), an administrative fine is levied on legal entities in the amount of up to 100 times the amount of money, securities, other property or the value of property services or other property rights, illegally transmitted or provided or promised or offered on behalf of the legal entity, but not less than 100 million rubles with confiscation of money, securities, other property or the value of property services or other property rights.
56. Also, confiscation not based on a conviction, can be done if such requirement complies with the principles of domestic legislation (where the offender cannot be prosecuted by reason of death, flight, absence or the offender is unknown). Also, in case of public official not disclosing legal source for acquisition of property, the confiscation can be done by the Court through civil procedures, based on the claim submitted by the Prosecutors.
57. As per Article 13.1 of Federal Law No. 273-FZ of 25.12.2008 "On Countering Corruption", a person who held a public office of the Russian Federation, a public office of a subject of the Russian Federation, a municipal office is subject to dismissal (release from office) due to loss of trust for committing a corruption offence.

India

58. In India, Prevention of Corruption Act, 1988 (as amended) provides for the following –
- (i) Section 17C (Powers of attachment of property) - If the Investigation Officer has reason to believe that any property has been acquired by an offence of 'criminal misconduct'; with the prior approval in writing of the Director, can order for seizing such property and where it is not practicable to seize such property, make an order of attachment of the such property.
 - (ii) Section 18A of Prevention of Corruption Act, 1988 (as amended) provides for attachment and execution of order of attachment or confiscation of money or property procured by means of an offence, which is governed by the provisions of the Criminal Law Amendment Ordinance, 1944. District Judge is authorised to conduct proceedings of attachment, forfeiture or confiscation of property procured out of offence under PC Act. The same can be done even before the commencement of trial under the PC Act.
59. Assets or Property can be provisionally attached under Section 29 of Lokpal and Lokayukta Act, 2013, in case any person is in possession of any proceeds of corruption; such person is accused of having

committed an offence relating to corruption; and such proceeds of offence are likely to be concealed, transferred which may result in frustrating confiscation of such proceeds of offence.

60. Code of Criminal Procedure, 1973 –

- (i) Section 83 – Court may attach the property when a person is absconding or concealing himself.
- (ii) Section 105E – Attachment or forfeiture of a property situated in India in cases of formal international cooperation.

61. In case of public officials, suspension and disciplinary proceedings leading to dismissal are also carried out by the concerned Ministry / Department.

China

62. In China, the civil actions are taken under the following Articles –

- (i) Article 141-145 (in case People's Procuratorate believes that the evidence is insufficient and does not meet the conditions for initiation of a prosecution) of the Criminal procedure law of the People's Republic of China
- (ii) Article 23 (freezing of property) and Article 52 (International cooperation against corruption) of the Supervision Law of the People's Republic of China

Turkmenistan

63. In Turkmenistan, Article 167 (temporary suspension from office) and Article 169 (seizure of property) are provided under Code of Criminal Procedure

Tajikistan

64. In Tajikistan, no specific civil action for corruption offence are provided, however, failure to comply with the requirements of the AML / CFT / CPF legislation and in the absence of evidence of a crime, entail a fine of one hundred to two hundred for officials, three hundred to five hundred for individual entrepreneurs and one thousand to two thousand for legal entities; and failure to declare or inaccurate declaration by natural persons or legal entities of national currency, foreign currency or bearer negotiable instruments conveyed across the customs border (subject to mandatory written declaration) entail a penalty imposed on natural persons - from twenty to thirty, on officials - from forty to fifty and on legal entities - from two hundred to three hundred calculation indices.

Kyrgyzstan

65. In Kyrgyzstan, imposition of disciplinary sanctions, including dismissal from office with subsequent dismissal from state and municipal service is provided under Article 14 of the Law No. 153 of August 8, 2012 on Combating Corruption.

Uzbekistan

66. Uzbekistan has no legislation pertaining to the offence of corruption which provide for civil action. However, the Department of the Prosecutor General's Office is currently studying the feasibility of amending legislation to extend the use of non-conviction based confiscation and the possible introduction of non-conviction based confiscation of unconfirmed proceeds outside the framework of criminal proceedings.

67. Therefore, all member countries (except Uzbekistan and Tajikistan) have enabling legislations or provisions for taking civil action for the offence of corruption. In case of Uzbekistan, authorities are already carrying out study for the civil action for the offence of corruption. In case of Tajikistan, they have provisions under AML / CFT / CPF legislation, in case corruption is a related offence.

1.4 Criminal Action against offence of corruption

68. All member countries have legislations or provisions for taking criminal action for the offence of corruption.

69. A consolidated list of the term of imprisonment / relevant sections under the legislations of the member states for the offence of corruption (country wise) is provided as Annexure 1.

70. The maximum term of imprisonment for offence of corruption, under the legislations of members countries, are as follows:-
- (i) Russia – Upto 15 years under relevant Article of Criminal Code.
 - (ii) India – Upto life imprisonment under Section 409 of IPC.
 - (iii) Turkmenistan – Upto 20 years under relevant Article of Criminal Code.
 - (iv) Tajikistan – Upto 20 years under relevant Article of Criminal Code.
 - (v) Kyrgyzstan – Upto 15 years under relevant Article of Criminal Code.
 - (vi) Uzbekistan – Upto 15 years under relevant Article of Penal Code.

1.5 Government bodies or other organizations authorised to conduct investigation of offence of corruption and their roles

Belarus

71. In Belarus, state agencies engaged in combating corruption take up their tasks independently and in cooperation between themselves, with other state agencies and others. The Prosecutor General's Office is the government agency responsible for organising the fight against corruption. The Prosecutor-General's Office : -
- (i) accumulates information on facts.
 - (ii) coordinates the law enforcement activities of other government bodies engaged in combating corruption.
 - (iii) supervise the statutory compliance by the heads of state bodies and other organizations and, in case of detection of offences, take measures to bring the persons who committed them to justice as prescribed by legislative acts; and analyzes the effectiveness of measures to counter corruption.
 - (iv) prepare proposals to improve the legal regulation of the fight against corruption.
72. Special anti-corruption units have been created in the Prosecutor's office, Internal Affairs and State Security bodies. The special anti-corruption units, are entitled to do the following :
- (i) in case of funds / property have been received from persons involved in the commission of corruption offences or in the legalization of proceeds of crime, then it can suspend (in whole or part) up to ten days, the financial transactions of natural or legal persons, and limit their right to dispose of property for the same period.
 - (ii) make submissions to state bodies and other state organizations to terminate or cancel special permits (licenses) of persons / entities to engage in certain types of activities.

Russia

73. In Russia, the Prosecutors' Office supervise compliance with Anti-Corruption Legislation and legality of spending budget funds. The Prosecutor General's Office has a specialized anti-corruption department and a department for supervision of the implementation of budget legislation. The Prosecutor General's Office also has the authority to organize work on the return of assets from abroad.
74. In general, corruption crimes are investigated by preliminary investigation bodies under the general rules of investigative jurisdiction established by the Criminal Procedural Code of the Russian Federation, namely –
- (i) Investigation of bribery is referred to the exclusive jurisdiction of the investigators of the Investigative Committee of the Russian Federation.
 - (ii) for investigation of abuse of power and embezzlement, the law allows an alternative, as these crimes are not only attributed to the direct investigators of the Investigative Committee and the bodies of internal affairs, but also the preliminary investigation on them may be made by investigators of the body that detected these crimes.
 - (iii) In case the crime of corruption is committed by a special subject (judge, prosecutor, investigator, lawyer, police or customs officer, etc.), only the investigator of the Investigative Committee of the Russian Federation is authorized to conduct a preliminary investigation.

75. To counteract corruption, based on the requests received, information is provided to the heads (officials) of federal state bodies, the top officials of subjects of the Russian and the Chairman of the Central Bank of Russia.

India

76. In India, the following organisations / bodies are authorized to conduct investigations related to corruption :-
- (i) Central Bureau of Investigation - An agency of the Government of India enacted through Delhi Special Police Establishment (DSPE) Act, 1946 to conduct investigation of corruption cases. Its jurisdiction is Central Government and Union Territories.
 - (ii) State Anti-Corruption Bureau – It investigates corruption cases within the states. States can refer cases to the CBI also.
 - (iii) Central Vigilance Commission - It exercise superintendence over vigilance administration of the organisations in respect of which the executive powers of Government of India are extended.
 - (iv) Lokpal and Lokayukta – They inquire into allegations of corruption against certain public functionaries and for matters connected therewith or incidental thereto.

China

77. In China, following authorities are in place :-
- (i) Supervisory Committees - responsible for investigating corruption offence committed by public officials.
 - (ii) People's procuratorates - responsible for prosecution.
 - (iii) People's courts - responsible for conviction

Turkmenistan

78. In Turkmenistan, Law on Combating Corruption requires all state bodies and their officials to combat corruption within their competence. Prevention, detection and suppression of corruption related offences and bringing to justice perpetrators of such offences is carried out by the prosecution, internal affairs, national security, customs and border services, as well as financial, tax and other state authorities like -
- (i) In case of receipt of information concerning the commission of corruption offences, the aforesaid bodies are obliged to take the measures required by their powers, or to immediately pass such information to the state bodies authorised to conduct verification of such information and make decisions based on the results of the verification.
 - (ii) The Procurator-General's Office coordinates anti-corruption activities and performs other functions set out in the legal acts of Turkmenistan.
 - (iii) In cases of crimes of corruption, as well as in cases of crimes committed by public officials, preliminary investigations are carried out by the investigators of the prosecution authorities.

Tajikistan

79. In Tajikistan, the preliminary investigation in criminal cases related to corruption offences is carried out by the following bodies :
- (i) The Office of the Procurator-General - Investigators from the procuratorial authorities conduct preliminary enquiries into criminal cases of corruption related to the investigation of offences like embezzlement, smuggling, abuse of power, misappropriation of power, forgery in office etc. under Criminal Code of Tajikistan.
 - (ii) Anti-Corruption Bodies –
 - If criminal cases involving offences like fraud, unlawful entrepreneurial activity, illegal establishment of a legal entity, legalization (laundering) of proceeds of crime, unlawful acts in bankruptcy, evasion of payment of taxes / fees, falsification of evidence, abuse of power or official position etc., under Criminal Code of Tajikistan are of corruption nature,

then the preliminary investigation is conducted by the investigators of the specialized anti-corruption body.

- Preliminary investigation of cases involving judges, prosecutors, investigators, law enforcement officers (as well as anti-corruption officials), of the above referred offences shall be conducted by investigators of the specialised anti-corruption body.
 - In the event of disclosure by the specialized anti-corruption bodies of the crimes committed by servicemen or persons called up by the military commissariat, the preliminary investigation shall be conducted by the investigators of that body.
- (iii) The National Security Bodies – the preliminary investigation of the following offences under the Criminal Code are conducted by the investigators of the security agencies –
- Articles 287 (Failure to return funds in foreign currency from abroad) and 289 (Smuggling).
 - Articles 314 (Abuse of authority), 316 (Exceeding of official powers), 319 – 320 (Bribe-giving) and 321 (Provocation of a bribe), if they are connected with the investigation of other criminal cases under the jurisdiction of these bodies.

Kyrgyzstan

80. Detection, prevention and suppression of corruption offences and bringing persons guilty of committing them to responsibility within their competence shall be carried out by the following law enforcement bodies:
- (i) State bodies
 - (ii) Law enforcement agencies
 - (iii) Prosecutor's Office

Uzbekistan

81. In Uzbekistan, corruption offences are investigated by the Prosecutor's Office, the Department for Combating Economic Crimes, the Interior Ministry and the State Security Service.
82. Therefore, all member countries have multiple government bodies or other organizations in place who are authorized to conduct investigation related to offence of corruption. The bodies have their own role and domain of working.

1.6 Legislations dealing with the offence of Money Laundering and authorities mandated for their implementation

83. The Legislations of the member countries dealing with the offence of Money Laundering and the authorities mandated for their implementation are tabulated below :-

Name of the Country	Legislation(s)	Authorities
Belarus	(i) Criminal Code of the Republic of Belarus of 09.07.1999, No. 275-Z. (ii) Law of the Republic of Belarus "On Measures to Prevent the Legalization of Proceeds of Crime, Financing of Terrorist Activities and Financing Weapons of Mass Destruction Proliferation" dated 30.06.2014, No. 165-Z.	(i) General Prosecutor's Office (ii) Ministry of Internal Affairs (iii) State Security Committee (iv) Operational and Analytical Center under the President (v) Investigative Committee (vi) State Control Committee (vii) National Bank of Belarus (viii) Ministry of Finance

		<p>(ix) Ministry of Justice</p> <p>(x) Ministry for Taxes and Levies</p> <p>(xi) Ministry of Antimonopoly Regulation</p>
Russia	<p>Criminal Code of the Russian Federation</p> <p>Federal Law "On Counteracting the Legalization (Laundering) of Proceeds of Crime and the Financing of Terrorism" dated 07.08.2001, No. 115-FZ.</p> <p>Decree of President of the Russian Federation on "Issues of the Federal Financial Monitoring Service" along with "Provisions on the Federal Financial Monitoring Service" and together with "Regulations on the Federal Financial Monitoring Service" dated 13.06.2012, No. 808.</p>	<p>Rosfinmonitoring is a federal executive body responsible for combating money laundering, financing of terrorism, extremist activities and financing of proliferation of weapons of mass destruction, for developing state policy and normative legal regulation, for coordinating the relevant activities of federal executive bodies, other state bodies and organizations, as well as for the functions of the national center of the Russian Federation.</p>
India	<p>The Prevention of Money Laundering Act (PMLA), 2002</p> <p>An act to prevent money-laundering and to provide for confiscation of property derived from, or involved in, money laundering and for matters connected therewith or incidental thereto.</p>	<p>Directorate of Enforcement (ED)</p> <p>Financial Intelligence Unit (FIU-India)</p>
China	<p>The Criminal Law of the People's Republic of China.</p> <p>(i) Article 191 : the crime of money laundering</p> <p>(ii) Article 312 : the crime of disguising and concealing proceeds of crime</p> <p>Anti-Money Laundering Law of the People's Republic of China</p>	<p>(i) The public security authorities are responsible for investigating money laundering cases,</p> <p>(ii) The procuratorates are responsible for prosecution, and</p> <p>(iii) The courts are responsible for conviction.</p>
Turkmenistan	<p>(i) Law of Turkmenistan "On Combating Money Laundering, Financing of Terrorism and Financing Weapons of Mass Destruction Proliferation (new version)". No. 335-VI of 21.03.2021.</p> <p>(ii) Criminal Code of Turkmenistan</p>	<p>The Financial Monitoring Service under the Ministry of Finance and Economy of Turkmenistan.</p>
Tajikistan	<p>(i) Criminal Code of the Republic of Tajikistan of 21.05.1998, No. 575;</p> <p>(ii) Criminal Procedure Code of the Republic of Tajikistan, 2009.</p> <p>(iii) Code of Administrative Offences of the Republic of Tajikistan, 2008.</p>	<p>(i) Bodies of Prosecutor's Office</p> <p>(ii) Bodies of Internal Affairs</p> <p>(iii) Bodies of National Security</p> <p>(iv) Bodies of State Financial Control and Anti-Corruption Authorities</p>

	<p>(iv) Law of the Republic of Tajikistan "On Counteracting the Legalization (Laundering) of Proceeds of Crime, the Financing of Terrorism and the Financing of Proliferation of Weapons of Mass Destruction", dated 25.03.2011, No. 684.</p> <p>(v) Law of the Republic of Tajikistan "On Combating Corruption".</p> <p>(vi) Law of the Republic of Tajikistan "On Operative-Investigative Activity".</p>	<p>(v) Drug Control Agencies</p> <p>(vi) Customs Service Bodies</p> <p>(vii) National Bank of Tajikistan (Financial Monitoring Department)</p>
Kyrgyzstan	<p>(i) The Law of the Kyrgyz Republic on Countering the Financing of Terrorist Activities and Legalization (Laundering) of Criminal Proceeds of 06.08.2018, No. 87</p> <p>(ii) Resolution of the Government of the Kyrgyz Republic No. 606 of 25.12.2018.</p>	<p>State Financial Intelligence Service</p> <p>National security authority. Internal affairs authority, customs authority, tax authority and supervisory authority</p>
Uzbekistan	<p>(i) Law No. 660-II of 26.08.2004. "On Combating the Legalization of the Proceeds of Crime, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction.</p> <p>However, a new Act is being drafted to incorporate the recommendations of the FATF into the domestic legislation.</p> <p>(ii) Presidential Decree No. UP-6252 of 28.06.2021 approving a strategy to develop a national system to combat the legalization of proceeds of crime, the financing of terrorism and the financing of proliferation of weapons of mass destruction.</p> <p>(iii) Cabinet of Ministers Decision No. 402 of 29.06.2021 on additional measures to implement the Act of the Republic of Uzbekistan on combating the legalization of proceeds of crime, the financing of terrorism and the financing of proliferation of weapons of mass destruction</p>	<p>(i) Office of the Procurator-General</p> <p>(ii) State Security Service</p> <p>(iii) Ministry of Internal Affairs</p> <p>(iv) Ministry of Foreign Affairs</p> <p>(v) Ministry of Economy and Finance</p> <p>(vi) Ministry of Investment, Industry and Trade</p> <p>(vii) Ministry of Justice</p> <p>(viii) Ministry of Digital Technology</p> <p>(ix) Tax Committee under the Cabinet of Ministers</p> <p>(x) Customs Committee under the Ministry of Economy and Finance</p> <p>(xi) Agency of Statistics under the President of the Republic of Uzbekistan</p> <p>(xii) Inspectorate for Mining, Geological and Industrial Safety Control under the Ministry of Mining and Geology</p> <p>(xiii) National Agency for Perspective Projects</p> <p>(xiv) Committee for Competition Development and Consumer Protection (xv) State Assets Management Agency</p> <p>(xvi) Agency for Counteracting</p>

		<p>Corruption</p> <p>(xvii) Central Bank of Uzbekistan</p> <p>(xviii) Department for Combating Economic Crimes under the Office of the Prosecutor General</p> <p>(xix) Bureau of Enforcement under the Office of the Prosecutor General</p> <p>(xx) Inspectorate for the Control of Informatization</p> <p>and telecommunications under the Ministry of Digital Technology</p>
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1.7 Salient features of the Anti-Money Laundering Legislation – Civil & Criminal Action available and criteria for conducting investigation

Belarus

84. Article 11 (Competence of the financial monitoring body) of the Law of the Republic of Belarus of 30.06.2014, No. 165-Z provides for the following Civil Action –
- If financial transactions are related to the receipt and / or legalization of proceeds of crime, financing of terrorist activities, financing weapons of mass destruction proliferation, then the financial monitoring body can issue an order to suspend financial transactions (except for cash receipt transactions) and an order to freeze funds and (or) block financial transactions.
85. Article 235 [Legalization ("laundering") of funds obtained by criminal means] of Criminal Code of the Republic of Belarus of 09.07.1999, No. 275-Z provides for the following Criminal Action –
- (i) The commission of financial transactions with funds knowingly obtained by criminal means in order to give a legitimate appearance to the possession, use and/or disposal of said funds in order to conceal or distort the origin, location, placement, movement or actual ownership of said funds shall be punishable by a fine, or deprivation of the right to occupy certain positions or engage in certain activities with a fine, or imprisonment for a term of two to four years with or without a fine and with deprivation of the right to occupy certain positions or engage in certain activities.
 - (ii) The same acts committed repeatedly, or by an official with abuse of power, or on a particularly large scale, shall be punishable by imprisonment for a term of four to seven years with a fine and with deprivation of the right to occupy certain positions or engage in certain activities.
 - (iii) Actions provided for the above 2 paragraphs if committed by an organized group shall be punishable by imprisonment for a term of five to ten years with a fine and with deprivation of the right to occupy certain positions or engage in certain activities.
86. There is no threshold of criminal responsibility for money laundering. All crimes of corruption involving the proceeds of crime are considered predicate offences to money laundering. Therefore, any corruption offence involving the proceeds of crime can be investigated as a money laundering offence.

Russia

87. The state bodies of the Russian Federation dealing with anti-money laundering and anti-terrorism financing cooperate with competent bodies of foreign states at the stage of information collection, preliminary investigation, court proceeding, and enforcement of court decisions (Article 10 of the Federal Law 115-FZ).
88. Civil Action –Provision is there for suspending the suspected transactions with the approval of the Court. Rosfinmonitoring, with the participation of interested State authorities, has also developed and submitted to the Government of the Russian Federation a draft law which provides for an extrajudicial mechanism for suspending transactions if they are suspected of being related to money laundering.

Under this mechanism, the AML/CFT authorized body takes decisions to suspend transactions in order to analyze and confirm the grounds for suspicion.

89. Criminal Action – sentencing issues and the judicial phase are outside the scope of anti-money laundering law, as they are covered under Criminal Code and Criminal Procedure Code.
90. There is no criteria in the anti-money laundering law for selecting crimes of corruption for the purpose of conducting investigations into money laundering by subjects of the crime.

India

91. Some of the salient features of the Prevention of Money Laundering Act, 2002 (PMLA) are as follows –
 - (i) Money Laundering Offences : Section 3 of PMLA criminalizes the act of money laundering, which involves concealing, acquiring, possessing, projecting, claiming or using the proceeds of crime. It covers both direct and indirect involvement in money laundering activities.
 - (ii) Predicate Offences : Section 2(1)(y) of PMLA identifies certain "scheduled offences" that generate proceeds of crime, such as bribery, corruption, drug trafficking, human trafficking, fraud, organized crime and terrorism-related offences. The list of these offences are provided in the Schedule of the Act.
 - (iii) Attachment and Confiscation of Proceeds : Section 5 and 8 of PMLA provide for the attachment and confiscation of property involved in money laundering offences. Section 17 and 18 empowers the authorities to search, seize and recover the proceeds of crime and tainted assets derived from money laundering activities.
 - (iv) International Cooperation and Provision for MLAT : Chapter 9 (Section 55 to 61) of PMLA enables cooperation with foreign countries in the investigation and prosecution of money laundering offences through mutual legal assistance, extradition and sharing of information. It aligns with international standards and frameworks for combating money laundering. It also provides for the establishment of Mutual Legal Assistance Treaties (MLATs) with other countries to facilitate the exchange of information, evidence, and assistance in money laundering investigations and prosecutions.
 - (v) Burden of proof : Section 24 of PMLA - Burden is on the accused to prove that alleged proceeds of the offence are in fact his lawful property.
92. The following Sections of PMLA provides for Civil Action like attachment, adjudication, confiscation etc. –
 - (i) Section 5 of PMLA provides for attachment.
 - (ii) Section 8 of PMLA provides for adjudication.
 - (iii) Section 8(5) of PMLA provides for confiscation of proceeds of crime after conclusion of trial. However, Section 8(7) of PMLA also provides for confiscation before completion of trial in certain cases like death of accused, accused being declared proclaimed offender etc.
 - (iv) Section 17 of PMLA provides for freezing and seizure of funds including proceeds of crime.
 - (v) Section 20 of PMLA provides for retention of seized and frozen property.
93. Section 4 of PMLA provides for punishment for the offence of money laundering, which is imprisonment for a period from three to seven years and also liable for fine. However, the imprisonment may extend to ten years in case of scheduled offences under Narcotics Drugs and Psychotropic Substance Act, 1985.
94. Under Section 2(1)(y) of PMLA, "Scheduled Offences" are divided under three Parts namely Part A, B and C. There is no monetary threshold for scheduled offences provided under Part A and C. However, in case of scheduled offence provided under Part B i.e. offence of Section 132 (false declaration, false documents etc.) under the Customs Act, 1962, there is a minimum threshold of total value involved to be INR ten million or more.

China

95. The offence of money laundering applies to all predicate offences in China. There is no criteria selecting the offences of corruption for conducting the investigation for the offence of money laundering.
96. Article 26 (temporary freezing measures) of the anti-money laundering act provides for civil action.
97. Criminal Action – Article 191 of the Criminal Law of the People's Republic provides for confiscation, maximum imprisonment upto 10 years and fine upto 20 percent in case of cover up or concealing the source or nature of the funds illegally obtained from drug-related crimes or from crimes committed by mafias or smugglers.
98. There is no specific criteria for selecting the offences of corruption for conducting investigation for the offence of money laundering.

Turkmenistan

99. Salient Feature – Audit organizations / auditors and virtual asset service providers are covered under Article 4 (Persons carrying out transactions or operations with money or other property and presenting information) of the Law of Turkmenistan "On AML / CFT / FTMA (new version)" dated 21.03.2021, No. 335-VI.
100. The following Articles of the Law of Turkmenistan "On AML / CFT / FTMA (new version)" dated 21.03.2021 No. 335-VI provide for civil action –
 - (i) Article 14. Refusal to conduct and suspension of transactions with cash or other property – provides for suspension of suspected transactions
 - (ii) Article 15. Targeted financial sanctions related to terrorist activities, proliferation of weapons of mass destruction, and their financing – provides for freezing of funds, blocking transaction, denial of registration of the rights to immovable property, blocking operations on bank accounts and registration of securities transactions.
101. Criminal Action – Article 263 (Legalization of money or other property acquired by criminal means) of Criminal Code of Turkmenistan provides for imprisonment of two to five years with or without confiscation of property, if there is commission of financial transactions involving money or other assets acquired by criminal means including its concealment or disguising its illicit origin in order to legitimize their possession, use or disposal,

However, if it is committed on a large scale (sum more than hundred amounts of the established base value), then it shall be punished by imprisonment for a term of three to eight years with confiscation of property.
102. Criteria - Article 203 (Bribery or coercion to give false testimony or false conclusion or incorrect translation) of Criminal Code provides for the quantum of significant bribe, which is an amount of money that exceeds one base amount. However, no specific criteria for selecting the offences of corruption for conducting investigation for the offence of money laundering is provided.

Tajikistan

103. In accordance with Article 78 of the Criminal Procedure Code, proceeds of crime, irrespective of their legalisation (laundering), are recognised as material evidence and on a Court verdict are transferred to the state, and the remaining items are handed over to the legal owners and if the latter are not identified, they are transferred to the state.
104. Civil Action – Article 9 of the legislation of the Republic of Tajikistan on combating legalization (laundering) of proceeds of crime and terrorist financing provides for suspension of transaction and Article 18 provides liability for violation of this law on individuals and legal entities in accordance with the procedure established by the legislation of the Republic of Tajikistan.
105. Criminal Action – Article 262 [Legalisation (laundering) of proceeds of crime] of Criminal Code of Tajikistan provides for imprisonment of two to six years with or without confiscation of property, if there is performance of financial transactions involving money, securities or other property,

constituting the proceeds of crime, for the purpose of concealing or disguising the source, true nature or disposal of the property,

In case, if it is committed on a large scale (two thousand times the size of the calculation indicator) or repeatedly, then it shall be punished by imprisonment for a term of three to seven years

However, if committed by an organised group or criminal association (criminal organisation) on a particularly large scale (five thousand times the size of the calculation indicator), then it shall be punishable by imprisonment for a term of five to eight years.

106. There is no specific criteria for selecting the offences of corruption for conducting investigation for the offence of money laundering. However, Clause 9 and Paragraph 11 of the Instruction "On conducting a property (parallel financial) investigation" approved by Order No. 5-39 of 20.04.2021 of the Prosecutor General of Tajikistan, provides for criteria for conducting parallel financial investigation on certain grounds or in exceptional cases.

Kyrgyzstan

107. In Kyrgyzstan, the salient feature of the National Action Plan on anti-money laundering legislation is Regulation on the electronic database of beneficial owners of legal entities.
108. Articles 10 to 18 under Chapter 3 of the anti-money laundering legislation provides for sanction lists and measures to suspend operations (transactions)
109. Criminal Action – Article 222 [Legalisation (laundering) of criminal proceeds] of the Criminal Code of Kyrgyzstan provides for imprisonment of three to five years with confiscation of property, if there is laundering of proceeds of crime i.e. making the possession, use or disposal of criminal proceeds, for the purpose of concealing or disguising the criminal source of origin.

In case, if it is committed by a group of persons, then it shall be punished by imprisonment for the term from five up to eight years with confiscation of property

However, if committed by an organised group or as a part of criminal association on a large scale (amount ten thousand times the estimated amount), then it shall be punishable by imprisonment for a term of eight up to eleven years with confiscation of property.

110. There is no specific criteria for selecting the offences of corruption for conducting investigation for the offence of money laundering.

Uzbekistan

111. Uzbekistan has worked towards the formation of an integrated system of collection, processing and analysis of statistical data.
112. Civil Action – Article 15 of the Uzbek Law on Combating Money Laundering and Financing of Terrorism provides for the freezing of funds or other property.
113. Criminal Action – Article 243 (Money laundering) of the Criminal Code provides for imprisonment of five to ten years.
114. There is no specific criteria for selecting the offences of corruption for conducting investigation for the offence of money laundering.
115. Civil Action is provided in the anti-money laundering legislation of all member countries. In case of Russia, Rosfinmonitoring has also developed and submitted a draft law to the Government of the Russian Federation which provides for an extrajudicial mechanism for suspending transactions if they are suspected of being related to money laundering.
116. Criminal Action is provided specifically under the anti-money laundering legislation in the case of Belarus and India. However, in case of Russia, China, Turkmenistan, Tajikistan, Kyrgyzstan, and Uzbekistan, criminal action is provided under the Criminal Code / Criminal Law of these member states.

117. In all member states there is no specific criteria / threshold for selecting the offences of corruption for conducting investigation for the offence of money laundering. In case of India also there is no threshold / specific criteria for conducting AML Investigation for the proceeds of crime generated from the scheduled offence under PMLA. However, considering the nature of offence, there has been a well thought off distinction or monetary threshold of INR ten million, only for offence under Section 132 (false declaration, false documents etc.) of Customs Act, 1962.

1.8 Comparison of the Authorities investigating the offence of Money Laundering and offence of Corruption

118. In Belarus, the investigation of corruption and related crimes, as well as crimes of money laundering, are carried out by one government agency as well as by different ones.
119. In Russia, criminal cases under Article 174 [the legalisation (laundering) of funds and other property acquired by other persons illegally] and Article 174.1 [the legalisation (Laundering) of Monetary Funds or Other Property Acquired by a Person as a Result of an Offence Committed by him] of the Criminal Code are mainly initiated and conducted by the investigating body, which carries out the investigation of the initiated predicate crime.
120. In India, different Law Enforcement Agencies investigate the corruption offence cases (scheduled / predicate offence) and Directorate of Enforcement (ED) investigates the offence of money laundering. Sharing of information is well co-ordinated among various agencies, which is also provided under Section 66 of PMLA. Under Section 54 of PMLA, assistance is also provided by government authorities, statutory authorities etc. also.
121. In China, authorities investigating the scheduled offence of corruption and offence of Money Laundering are same. However, action is taken under different sets of legislation governed under Article 34 of the Supervision Law i.e. if the courts, procuratorates, public security and auditing authorities or other state departments find clues in the course of their work that an official is suspected of corruption, malfeasance or other crimes in office, they shall refer them to the supervisory authorities, which shall investigate and dispose of them in accordance with the law.
122. In Turkmenistan, the authority investigating the predicate offence of corruption and the offence of money laundering offence are one and the same.
123. In Kyrgyzstan, authorities authorized to investigate offence of corruption also conduct parallel financial investigations into offence of money laundering.
124. In Uzbekistan, preliminary enquiries into offences covered by Article 243 (Legalization of proceeds of crime) of the Criminal Code are conducted by Internal Affairs Investigators. National Council to Combat Corruption and Anti-Corruption Agency coordinate the anti-corruption activities, within the limits of their authorities. The Prosecutor-General's Office coordinates the activities of bodies engaged in operational and investigative activities, pre-investigation, enquiries and preliminary investigations in combating corruption. The legal basis for effective coordination between agencies is the Anti-Corruption Act (No. ZRU-419).
125. The authorities investigating the offence of money laundering and offence of corruption are same in case of Belarus, Russia, China, Turkmenistan and Kyrgyzstan. These authorities are different in India and Uzbekistan, which have legislative provisions in place for effective coordination and sharing of information between different authorities.

Section 2 : Estimation of Proceeds of Crime

2.1 Data in regard to offence of corruption

126. Number of cases registered by investigative agencies / LEAs for the offence of corruption and related offences in the member countries are as under :-

Name of the Country	Number of cases registered for offence of corruption and related offences	Total PoC involved in these cases (In USD Million)	No of Charge sheets filed	No. of cases under Trial	No. of cases in which final decision has been pronounced	No. of cases in which conviction has been secured
Belarus	13,702	0.004 (for 2022)	-	5,481	4,721	4,277
Russia	192,324	3,500	-	-	-	-
India	23,845	-	18,435	5,135	13,300	4,923
Turkmenistan	7,098	422 (currency not provided)	3,096	1,655	-	-
Tajikistan	8,763	-	8,035	4,807	-	-
Kyrgyzstan	795	-	-	327	-	-
Uzbekistan	23,435	-	-	15,657	-	14,953

127. Percentage share of the cases registered by investigative agencies / LEAs for offence of corruption and related offences for the period 2017 to 2022 are as under :-

Name of the Country	Total number of cases registered for offence of corruption and related offences (A)	Total number of cases registered (B)	Percentage share of the cases registered for offence of corruption (A/B) %
Belarus	13,702	530,246	2.58%
Russia	1,92,324	12,089,765	1.59%
India	23,845	32,942,489	0.07%
Turkmenistan	7098	39,509	17.97%
Tajikistan	8763	136,030	6.44%

128. Percentage share of amount of PoC involved in cases registered / recorded by investigative agencies / LEAs for offence of corruption and related offences for the period 2017 to 2022 is as under :-

Name of the Country	Total amount of PoC involved in cases for the offence of corruption and related offences (in USD Million) (A)	Total PoC involved in all cases registered by LEAs (in USD Million) (B)	Percentage of the of amount of PoC involved in cases for offence of corruption (A/B) %
Russia	3,502	38,164	9.17%
Turkmenistan	422 (currency not provided)	566 (currency not provided)	74.52%

129. Details of the cases registered / recorded for offence of money laundering having corruption as scheduled offence for the period 2017 to 2022 are as under :-

Country	Number of cases registered / recorded for offence of money laundering having corruption as scheduled offence	Total PoC involved in these cases (in USD Million)	Amount of PoC attached / seized / frozen / confiscate (in USD Million)	No of Charges filed	No. of cases under Trial	No. of cases in which final decision has been pronounced	No. of cases in which conviction has been secured
India	1,172	8,888.92	2,870.27	228	179	9	9
Russia	943	-	8.96	-	-	-	-
Turkmenistan	539	422.24 (currency not provided)	75.73 (currency not provided)	-	-	-	-

130. Percentage share of the cases for the offence of money laundering having corruption as scheduled offence during the year 2017 to 2022 is as under :-

Name of the Country	Total number of cases registered / recorded for offence of money laundering having corruption as scheduled offence (A)	Total Number of all cases registered / recorded for the offence of money laundering (B)	Percentage of ML Cases having corruption as scheduled offence (A/B) %
Russia	1035	5435	19.04%
India	1172	3020	38.80%
Turkmenistan	539	706	76.34%

131. Percentage share of amount of PoC involved in cases registered / recorded for offence of money laundering having corruption as scheduled offence, out of the total PoC involved in all cases registered / recorded for the offence of money laundering, for the period 2017 to 2022. is as under :-

Name of the Country	Total percentage of PoC involved in cases having corruption as scheduled offence
India #	59.27%
Turkmenistan	74.52%

- In India – (i) in bank fraud cases, a component of PC Act / IPC is also there in scheduled offence, so whole amount reflected for corruption offence also (ii) private bank officials are also covered under PC Act, so these cases are also reflected here.

2.2 Mechanisms used to determine PoC for the offence of corruption

132. In Belarus, the amount of criminal proceeds from corruption and related crimes is determined through conducting the audits of financial and economic activities of economic entities. Forensic economic expert is appointed for determine the quantum of PoC.
133. In Russia, the amount of the proceeds of crime is calculated based on the amounts received from the crime or converted from them and if needed, the assessment is made with the involvement of experts. Information is also analyzed about high-value transactions by public officials / their relatives (acquisition of real estate, luxury goods etc.), and the reported expenses are compared with the declared income. For bribes, the amount of unlawful remuneration is taken into account; for other crimes, the amount of stolen money and the amount of damage caused, as determined by accounting forensic examinations are considered.

Case Study :

In 2022, a criminal case under part 3 of article 285 of the RF Criminal Code was initiated against a public official in the field of health care who acted in the interests of a commercial organization and contributed to the conclusion of a state contract for the supply of medical equipment for the needs of medical institutions at an unreasonably inflated cost which resulted in the theft of budget funds of over 151 million Rubles, allocated for the prevention and counteraction to COVID-19.

134. In India, the PoC in an offence of corruption and related offence is determined by considering the amount acquired by accused using the corrupt means with the help of his associates. If needed, financial audit and forensic audit are also carried out. In case of public servant, assets disproportionate to his legal remuneration are carried out by examining the assets details of him, his family & associates.

Case Study 1 :

In one case, accused Mr. X, his wife Ms. Y (both partners of M/s ABC) entered into criminal conspiracy with Mr. Z & an official of bank to defraud the bank by fraudulently availing bank loan of INR 12.5 million which later became Non-Performing Asset (NPA).

The bank official in misuse of his official position disbursed the loan amount of INR 12.5 million directly in the current account of M/s ABC without verifying the purpose of such loan, part of which was later diverted by transferring funds into bank account of Z (worker of M/s ABC who was shown as a contractor, with whom M/s ABC signed a sham agreement to get funds transferred) in the same bank. Thus, loan funds were withdrawn in cash from accounts of M/s ABC as well as worker (Z). Thus, amount of the PoC was INR 12.5 million.

Case Study 2 :

Mr. A (a private person and owner of W Group of Companies) in collusion with Mrs. B (CEO of X bank and wife of Mr. C), got sanctioned 6 loans amounting to INR 17.3 billion from X bank, which later on became NPA.

For this INR 640 million were transferred by Mr. A to M/s Y (a company of Mr. C), through a complex web of transaction involving number of non-operating companies of W group. Also, a flat of INR 52.5 million of Mr. C, mortgaged with a bank was purchased by A (through his company, Z) and later on the ownership of Z was transferred to a family trust of Mr. C for INR 0.11 million only. Therefore, PoC for the offence of corruption in this case was **INR 640 Million and the flat.**

135. In China, any financial or property gain arising from or obtained directly or indirectly from corruption offences and related offences are counted as PoC.
136. In Tajikistan, during the preliminary investigation, the amount of criminal income received is calculated according to its actual amount; equivalent value if received in foreign currency; and if received as movable or immovable property, precious metals or stones, machinery or equipment, etc., an expert examination is carried out for determination of the amount of the criminal income.
137. In Kyrgyzstan, accounting and analysis of income and expenditures of individuals and legal entities is done, for which data on financial transactions made by persons suspected of corruption is obtained from tax authorities, banks and other institutions. Market price information and international cooperation mechanisms are also explored for the same.
138. In Uzbekistan, determination of amount of proceeds of crime is done by conducting expert assessments of any property obtained by criminal means and equivalent value of the foreign currency is done as per exchange rate of the national currency.

2.3 Mechanisms used to determine PoC for the offence of money laundering

139. In Belarus, to determine the amount of criminal proceeds from crimes (including corruption crimes and legalization ("laundering") of proceeds of crime), the full range of investigative actions, operative-investigative measures and mechanisms of international legal assistance are used.
140. Russia, has provided case study for reflecting determination of PoC :

Case Study :

A group of executives and employees of a bank organized the theft of the bank's funds by issuing unsecured and knowingly irrecoverable loans worth over 1 billion Rubles to dummy borrowers, who were not engaged in real financial and economic activities. Further, in order to give a legal appearance to the possession, use and disposal of the stolen funds and to conceal the theft, the above persons, acting on fictitious grounds, organized and carried out "technical" transfers of these funds to the settlement accounts of controlled legal entities, by knowingly indicating false and untrue purposes of payments. Thus, they legalized the proceeds of crime amounting to 957.7 million Rubles.

141. In India, for the offence of money laundering, PoC means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to the schedule offence or the value of any such property or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad. PoC includes property not only derived or obtained from the schedule offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the schedule offence.

Case Study :

Mr. A (a private person and owner of W Group of Companies) in collusion with Mrs. B (CEO of X bank and wife of Mr. C), got sanctioned 6 loans amounting to INR 17.3 billion from X bank, which later on became NPA.

For this INR 640 million were transferred by Mr. A to M/s Y (a company of Mr. C), through a complex web of transaction involving number of non-operating companies of W group. This amount was used by Y to purchase renewable energy plant, which generated net income INR 106.5 million.

Also, a flat of INR 52.5 million of Mr. C, mortgaged with a bank was purchased by A (through his company, Z) and later on the ownership of Z was transferred to a family trust of Mr. C for INR 0.11 million only.

Therefore, PoC for the offence of money laundering in this case was **INR 746.5 million (PoC of offence of corruption as well as property derived from the schedule offence i.e. corruption) and the flat.** The same was provisionally attached and prosecution complaint was also filed in the Court for its confiscation and punishment to A, B and C.

142. In China, any financial or property gain arising from or obtained directly or indirectly from money laundering offences is counted as PoC.
143. In Tajikistan, the determination of PoC for offence of money laundering is same as in case of offence of corruption.
144. In Kyrgyzstan, cash monitoring and analysis of banking transactions are done. Also, property information and tools & technologies (software to analyze financial transactions and electronic files of bank customers) are used for determination of PoC.

2.4 Specific features of financial investigation carried out and details of financial information collected for investigation of offence of corruption

Belarus

145. In Belarus, the sources of financial information are state authorities and organizations whose competence includes registration and accounting of movable and immovable property, banks, non-bank credit organizations, crypto-platforms operators, tax, customs, border authorities, mobile operators, internet network, law enforcement agencies of foreign jurisdictions and others.
146. The financial information collected includes information of / about:-
 - (i) organizations, property details and declarations of individuals, suspect, accused or other persons (family members, close relatives or affiliated legal entities) and business entities;
 - (ii) bank secrecy (data on bank accounts including account balance, agreements on opening accounts, agreements for granting loans, other bank services, information on the client's assets etc.);
 - (iii) transactions and operations with property; availability of property abroad obtained through the National Central Bureau and Financial Intelligence Unit;
 - (iv) income from employment, securities, loans, donations;
 - (v) investments in entrepreneurship, sports, recreation, entertainment, and households;
 - (vi) purchase of vehicles.

Case Study :

Investigation into the criminal case against Mr. B and other persons for large-scale bribery, established that Mr. B, as an official - Chairman of the Board of the bank, ran an organized criminal group of bank officials, which during the period from 01.01.2004 to 11.06.2020, was engaged in criminal activity, expressed in the systematic receipt of bribes for favorable resolution of issues within the jurisdiction of the organized criminal group, as well as for performance of actions in the interests of bribers. Thus, using official authority, related to the conclusion and execution of contracts (agreements), Mr. B received for himself and his relatives as bribes more than 30 million Belarusian Rubles in US dollars, Euros and Roubles (taking into account the exchange rates of the National Bank of the Republic of Belarus) and in the bank accounts of the legal persons under his control.

In order to give a legal appearance to the possession, use and disposal of the proceeds of crime, conceal the origin of the money and their involvement in the legal turnover, Mr. B organized a series of financial

transactions (conclusion of sham loan agreements, transfer of funds under the pretext of returning the loan etc.). Mr. B legalized the criminal income of 1.1 million Rubles by purchase of a real estate facility in Minsk and its registration as the property of a legal entity controlled by Mr. B.

In the course of the financial investigation, the property of Mr. B and other persons, including that obtained by criminal means, and the subject of legalization were seized. Mr. B was found guilty by a court verdict and for multiple charges was sentenced for 14 years' deprivation of liberty; 14 years of imprisonment in a penal colony under strict regime with a fine of 5,000 base units to the amount of 145,000 Rubles and deprivation of the right to hold positions related to the implementation of the organizational, administrative and housekeeping duties for a period of 5 years.

Property acquired by Mr. B by criminal means was confiscated to the State which includes cash (in cash and in bank accounts) - over €1.4 million, \$361 thousand, 6 million Belarusian Rubles, stakes in the authorized capital of legal persons, corporate bonds, real estate (land), cars, works of art (paintings) and luxury goods (a collection of expensive wrist watches) and others.

Russia

147. In Russia, there is obligation on the part of organizations engaged in operations with cash or other property, to take reasonable and available measures in regard to foreign public officials; officials of public international organizations; persons holding government positions to which appointment and dismissal are made by the President or the Government of the Russian Federation; and others. They also have to pay increased attention to transactions with money or other property carried out by foreign public officials being serviced and their spouses.
148. AML / CFT legislation provides for the signs of unusual transactions (deals), information about which is submitted to Rosfinmonitoring by the subjects of primary financial monitoring, including a group of signs indicating participation and possible legalization (laundering) of proceeds of crime with participation of public officials (including foreign and officials of public international organizations). If analysis of transactions involving public officials / their relatives, indicate unusual nature of the operation (transaction) and there are sufficient grounds to believe that the transactions / actions conducted by the above persons are connected with money laundering or other criminal offence (for instance, if the amount of operations conducted does not correspond to the declared income), the same is reported.

Case Study :

A criminal case was sent to court on charges of the former Minister of the Russian Federation for coordination of "Open Government" activity A, for creation of a criminal community and committing, together with other persons, theft of money belonging to OJSC SIBECO and OJSC RES - in the total amount of more than 4 billion Rubles, commercial bribery in the amount of 78 million Rubles, illegal participation in business activities in the period 2012-2018 with obtaining criminal income in the amount of 2 billion Rubles.

During the preliminary investigation, the property of the accused was attached for a total amount of more than 36 billion 25 million Rubles, as well as a civil claim of 32 billion 540 million 718 thousand Rubles.

Under this criminal case, the same was established and movable and immovable property, money of the accused and affiliated persons to the total sum of over 32 billion Rubles (including real estate in the Italian Republic amounting to 18.47 million Euros, expensive furniture, furnishings and other equipment of more than 1.48 million Euros, money in the bank accounts of affiliated foreign companies to the total sum of over 31 million Euros) were seized.

India

149. In India, the specific feature of financial investigation is the quantum of data collected and analysed, which is very vast & thorough in terms of number of entities from which information is collected and

type of information which is collected and analysis of the same. The following are the some of the prominent features of financial investigation carried out in India :-

- (i) Examination of Income Tax Returns and Annual Information Return which includes details of foreign remittances also. To keep a tab on the nature of transaction, now TCS (Tax Collected at Source) has been introduced for making foreign remittance (separate rate for separate purpose), which makes analysing the quantum and purpose of foreign remittance very easy and accessible.
- (ii) Examination of bank account statement (use of software for analysing cash and high value transactions), account opening forms, KYC details and movable / immovable properties.
- (iii) Examinations of Cash Transaction Reports (CTR) and Suspicious Transaction Reports (STR) received from FIU.
- (iv) The database of companies, other legal entities including societies, trusts etc. are examined to find out the natural and legal associations of the accused / suspect.
- (v) Information is collected from tax authorities, customs authorities, state governments and their authorities, land and revenue authorities, Police, Reserve Bank of India, Securities Regulator, Stock Exchanges, Depositories, Insurance Regulator, Registrar of Companies, Registrar of Societies, etc.
- (vi) Examination of legal remuneration / sources of income vis-à-vis assets and expenditure details of the suspected person, his relatives, associate and legal entities. Considering the advent of online platforms, the examination of expenditure done through e-commerce companies, towards stay in luxurious hotels etc. is also carried out with the help of messages, emails and apps installed in seized digital devices or email dump seized during search. In some cases, the social media profile of the accused and his family members are also examined.
- (vii) Information from foreign jurisdictions is also obtained through MLAT, Letter Rogatories, Interpol and informal channels like Asset Recovery Interagency Network - Asia Pacific (ARIN-AP), Egmont Group, Globe Network etc.
- (viii) Legal measure like legal interception / surveillance, summons, search, survey, arrest, discreet enquiries etc. are also carried out.
- (ix) After complete profiling of the accused, his family members, associates and related legal entities, the quantum of PoC is ascertained.

Case Study 1 :

In one case, Mr. X (State Drug Inspector) during his tenure between the year 2001 to 2012 accumulated disproportionate assets to the tune INR 10.96 million. Also, during this check period his father, Mr. Z and his nephew, Mr. Y had done expenditure (more than their known income) to the tune of INR 4.71 million and INR 3.7 million respectively. Mr. X, by misusing his official position, received illegal income from owners of various Pharma Companies under his control & jurisdiction and invested the same in the name of Mr. Y and Mr. Z. In this case the details of all the bank accounts, insurance policies, properties held by Mr. X and his family members were collected from the concerned authorities. During the analysis of the same, it was found that Mr. X had made investment in form of insurance policies, properties etc. in the name of his family members.

Case Study 2 :

A vigilance enquiry was conducted towards possession of disproportionate assets by Mr. T, a public officer. During vigilance enquiry by LEA, it was revealed during the check period 2012 to 2018, total amount of INR 10.24 million was received by Mr. T through various bank accounts of himself and his wife, beyond their known source of income.

One more enquiry was conducted by the LEA against Mr. T for gross misconduct in handling the case relating to Narcotics Substances and it was mentioned in the enquiry report that there are some evidences against Mr. T for taking bribe while supervising NDPS cases.

During the investigation, bank account details, property details of Mr. T and family members were collected and examined. Analysis of the bank accounts revealed that huge amount of money was gifted

to Mr. T by Mr. F, his father-in-law who in turn was not capable to give such huge amounts as was admitted by Mr. F also. Even Mr. T was paying EMI (Equated Monthly Instalment) of the loan taken by Mr. F for constructing the house in which he was living. This established that the accused used bank accounts of his father-in-law for concealing & laundering PoC.

Turkmenistan

150. In Turkmenistan, financial investigation includes collection and examination of information on property in any form, money, other assets of individuals and legal entities or transactions and operations related to these assets in order to identify and tracing proceeds of crime and other assets, including property of equivalent value, which may be subjected to confiscation and forfeiture and securing restitution of damages caused by crimes.
151. Financial investigations are carried out by means of the following :-
- (i) operational investigative measures, including interviewing persons; surveillance; monitoring of postal, telegraphic and other communications;
 - (ii) taking investigative and procedural actions, engaging specialists, conducting audits, and sending requests for legal assistance;
 - (iii) carrying out financial analysis and other measures by the Financial Monitoring Service;
 - (iv) collecting information using information resources, including through information base of bank depositors;
 - (v) using open sources of information, information resources of foreign countries, internet and by means of international cooperation;
 - (vi) Establishing the intention of criminals, their accomplices by previously submitted cash flow declarations
152. Through financial investigation, information is gathered about the financial profile & assets of the person and related natural and legal persons, transactions for their acquisition or alienation, financial transactions and beneficial ownership. Measures are taken to identify the beneficial owners of property and other assets, including by requesting relevant information from banking institutions, as well as through the Unified State Register of Legal Entities, the Register of Entrepreneurs without a legal entity and the land register.

Tajikistan

153. In Tajikistan, the designated authority initially collects information on the subject's cash and non-cash movements like accounting documents, cash receipts and disbursements etc. After all the information (including bank statement) is collected, the financial documents and cash flow are analysed and an action plan is drawn up. Since, each financial crime has its own characteristics, therefore, in each case an individual action plan is drawn up. On the basis of the plan, the necessary investigative actions are carried out. After identifying the fact of committing a crime, a criminal case is initiated against the perpetrators and after conducting the necessary investigative measures, a final decision on the criminal case is taken.
154. The peculiarities of investigation of financial crimes are the large volumes of information, analysis of financial and banking documents, complicated scheme of committing crimes, committing crime by a group of persons by prior collusion, forgery of financial documents, etc. It is also necessary to take into account that the persons committing economic crimes usually have higher financial and economic education, a good analytical mind and an elaborate scheme of committing crimes. Due to which during preliminary investigation a thorough financial check-up of a person is carried out with the help of experts of different fields and handwriting and technical expertise is assigned for finding out the facts of documents forgery. Further, authorized wiretapping of phone calls and other means of communication of the subject provides significant results for detection of financial crimes.

Kyrgyzstan

155. In Kyrgyzstan, one of the main objectives of financial investigation related to corruption offences is to identify the source of the proceeds of crime and further confiscation of these funds. For this purpose, it is necessary to obtain financial documents and conduct an appropriate audit of financial transactions

and business operations. Software and tools are used to analyse information and identify unreliable or unclear transactions and hidden accounts. Financial transaction controls are used for monitoring banking and securities transactions, as well as reviewing documents related to taxation and financial reporting. Also, international cooperation is important aspect of financial investigation to obtain information on financial transactions conducted abroad and to work with other countries to confiscate illicit funds.

Uzbekistan

156. In Uzbekistan, during financial investigations the following are examined / analysed - financial transactions in bank, documents related to the activities of the target, identification of the beneficial owners of the target and links of the target with other persons involved in the case, as well as the involvement in other acts of misconduct.

2.5 Investigative practices suggested for financial investigation agencies while estimating PoC

Russia

157. Financial investigators should keep in mind that each criminal case requires an individual approach.

India

158. Information Technology including social media and e-commerce websites should be used extensively to ascertain the associates / linkage of the accused and his lifestyle (expenditure heads in cash or outside the banking channels). Also, accused generally invest in those assets and sectors where they can consume the cash funds / PoC and where there is scope of appreciation of PoC / generation of profits. The trail of the PoC should be duly prepared and analysed, for revealing / unearthing the source, layering and integration of PoC alongwith roles of accused persons in these processes / activities.

China

159. The investigating authority should be fully aware of the market price and that there may be several scenarios :
- (i) bribe recipient buys at a lower than market price from the bribe giver.
 - (ii) bribe giver actually pays a higher price than the market price to the bribe recipient.
 - (iii) bribe giver mistakenly buys a fake product at a high price from the bribe recipient (as a genuine article).

Kyrgyzstan

160. Some of the investigative practices suggested to be used by financial investigators while assessing the amount of criminal proceeds are – analysis of financial flow and socio-economic factors, use of technology, continuous learning and development of investigators.

Section 3 : Specific Features of Anti-Corruption and Anti-Money Laundering Legislations

3.1 Specific features of Anti-Corruption Legislations which deter corruption, make integration of PoC difficult and contain other than criminal measures

Belarus

161. In Belarus, Chapter - 3 of Law of the Republic of Belarus of 15.07.2015 provides for prevention of corruption by placing obligation and restrictions on the part of Public Officials; Chapter - 4 provides for declaration of income and property by public officials; and Chapter – 6 provides for elimination of consequences of offences creating conditions for corruption and corruption offence.
162. Further, as per Article 5 of the said Law of the Republic of Belarus, the fight against corruption is carried out by state bodies and other organizations through the integrated application of the multiple measures including – simplification of administrative procedures and reduction of their number;

adoption of codes of ethics (standards of conduct) of civil servants and other public officials; organizing anti-corruption training for public officials; establishing restrictions, as well as special requirements aimed at ensuring financial control in relation to public officials; and carrying out public awareness activities which contribute for creating an atmosphere of intolerance towards corruption.

163. In Belarus, if it is established that officials do not declare all sources of income, information about their possession and use of expensive property, conceal gifts and obtain loans from both physical and legal persons, prosecutors are obliged to check the sources of income, the legality of the acquisition of property and in each case they decide on the liability (disciplinary and administrative) of those who allowed violations, and also on additional tax payments or the confiscation of property obtained in violation of the law. Seizure of such property is carried out at the request of prosecutors, including by the court in civil proceedings. In cases where it is established in the course of proceedings that the income exceeds the expenses and it is impossible to obtain a conviction for the crime, mechanisms of civil forfeiture under anti-corruption legislation are applied.
164. In the case of termination of proceedings at the pre-trial stage (this procedural right is vested in the investigator, as well as the prosecutor in the case submitted for referral to the court), the issue of special confiscation is carried out by returning money and other valuables obtained by criminal means to the victim (on the basis of a decision of the criminal investigative authority) and converting them into compensation for the material damage caused by the crime. Mechanisms for confiscation that are not based on conviction are contained in the anti-corruption legislation (Articles 36 and 40 of the Anti-Corruption Act).
165. In case, there are grounds to recover property obtained by criminal means or acquired by criminal means, and also the equivalent value of criminal proceeds, a copy of the decision of the criminal prosecution body is sent to the court, which decides on the application of special confiscation. The judicial procedure for confiscation of criminal proceeds in cases of termination at the pretrial stage is established in order to comply with the constitutional principle of protection of the right to property.
166. If it is impossible to obtain a conviction for offence of money laundering revealed by the investigation of a corruption offence (predicate offence), then the person is prosecuted and convicted for the predicate offence.

Russia

167. Federal Law of Russia dated 03.12.2012 № 230-FZ "On control over compliance of expenditures of persons holding public office and other persons to their income," establishes the legal and organizational framework for monitoring the compliance of expenditures of the person holding public office, and the expenditures of their spouse and minor children.
168. If any discrepancy is noticed in the expenditures of that person, his spouse and minor children in their total income, the Attorney General of the Russian Federation or his subordinate prosecutors, as established by the civil court legislation, shall subject the share of income / property (legality has not been proven) to compensation to the Russian Federation or recovery of the same. Information is also shared with the concerned government or local body.
169. In accordance with Article 17 of the said Federal Law, the Prosecutor General of the Russian Federation or prosecutors subordinate to him shall, within four months of receiving the materials, consider them within their competence, after which, in the manner prescribed by the civil litigation legislation, apply to the court for recovery of land, other real estate, vehicles, securities to the Russian Federation.

India

170. In India, some of the legislations which deter the offence of corruption, and make integration of proceeds of crime difficult and risky are as follows – Benami Transactions (Prohibitions) Act, 1988; Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015; The Prevention of Corruption Act, 1988; Lokpal and Lokayutka Act, 2013; Central Vigilance Commission Act, 2003; and The Prevention of Money Laundering Act, 2002.
171. There are a set of bodies who keep oversight over the misconduct on the part of public officials, namely - Lokpal for the Union and Lokayukta for States, Central Vigilance Commission, and Central Vigilance

Officers in Department and Ministries of the government. In case of misconduct on the part of public officials, suspension and disciplinary proceedings leading to dismissal are also carried out by the concerned Ministry / Department. These bodies also keep check on the public officials and the public officials are obligated to make annual disclosure of their property. Intimations are also filed by the public officials before acquiring or disposing any moveable / immovable property, or entering into any financial transaction (beyond a certain threshold).

172. The legislations as mentioned above, also provide for attachment and confiscation of any property of any government official which he or she has come to own through corrupt practices. This action can be taken by the court or by the bodies / law enforcement agencies, as per due procedure of law. Legislation in India also provides for confiscation before completion of trial in certain cases like death of accused, accused being declared proclaimed offender etc.

China

173. In China, there is special procedure for confiscation of PoC, in cases of severe crimes such as corruption and terrorist activities. An application is submitted by the Procuratorate before the court for confiscation of PoC, in cases where suspect has absconded and cannot be brought to justice after one year of being wanted, or where the suspect has died and his PoC and other property involved in the case should be recovered in accordance with the provisions of the Criminal Law.
174. In China, actions deterring the offence of corruption are – Joint efforts of investigative authorities and FIU monitoring and intelligence.

Turkmenistan

175. In Turkmenistan, Article 11 to 18 of the Law on Combating Corruption provides for prohibitions, restrictions and obligations on civil servants; failure of compliance is ground for refusing them to enter the civil service; submission of information on income by civil servants and uploading of same on the official websites of state bodies or made available for publication in the mass media; submission of information on expenditure by civil servants (including his/her spouse and minor children); obligation of a civil servant to report inducements to commit corruption offences; and disciplinary penalties for corruption-related offences for civil servants.
176. If due to any reason, criminal proceedings cannot be initiated or gets terminated, but the actions of civil servant contain elements of an administrative offence or a disciplinary offence, then disciplinary sanction may be imposed on the civil servant.

Tajikistan

177. In Tajikistan, as per Article 18.6 of the Law "On the Agency for State Financial Control and Combating Corruption of the Republic of Tajikistan", the Agency for State Financial Control and Struggle against Corruption along with other duties stipulated by the normative legal acts of the Republic of Tajikistan fights against legalization (laundering) of proceeds of crime.
178. The legislation of Tajikistan does not provide for non-criminal confiscation for corruption offences.

Kyrgyzstan

179. In Kyrgyzstan, Articles 338, 339, 342 to 347 of the Criminal Code, deals with receipt of bribe, extortion of bribe, official forgery, excess of power etc.

Uzbekistan

180. In Uzbekistan, the legislations for countering the offence of corruption are Law "On Public Procurement" dated 22.04.2021 and Law "On Counteracting Corruption" dated 03.01.2017. These legislations do not provide for non-criminal confiscation of assets.

3.2 Specific features of Money Laundering (ML) investigation against PEPs / Public Official, safeguards ensuring fair investigation (devoid of any influence) and sharing of experience from ML investigation

Belarus

181. In Belarus, Chapter 49 of the Criminal Procedure Code provides for categories of persons (including PEPs) in respect of whom a special procedure of proceedings in a criminal case is applied. In addition, the legislation establishes the peculiarities of operational and investigative activities in respect of certain categories of citizens (Article 36 of the Law of the Republic of Belarus "On operational and investigative activities"). Article 131 provides for Temporary suspension from office, whereby a suspect or an accused person may be removed from office, if there are sufficient grounds to believe that by remaining in office he will obstruct the preliminary investigation and the trial of a criminal case.

Russia

182. In Russia, there is a special procedure for initiating criminal cases against a particular category of officials (including PEP), as provided under Article 447 of the Criminal Procedure Code. However, the principle of investigating ML is not different for a case involving PEPs / public servant.
183. Bodies of investigation are independent and according to Article 38 of the CPC, the investigator independently directs the course of the investigation.

India

184. In India, there is no difference in investigation of money laundering (ML) case involving PEPs / public servant compared to other ML cases of corruption. Confidentiality and due diligence are the key for effective and time bound investigation in ML cases involving PEPs / public servant. Internal Supervision, Supervision by Vigilance Institution and a robust mechanism for fixing responsibility at all levels, ensure that the investigations are conducted in a free and fair manner.
185. There are effective channels of communications among the intelligence agencies and investigative agencies themselves. In addition, there are government bodies in place which ensure cooperation and sharing of experience among intelligence and investigative agencies. Through these bodies, these agencies also share latest modus operandi of crime and sector specific typologies, which help in preventing crime as well guide in the ongoing investigation being carried out by them.

China

186. In China, there is no difference in investigation of money laundering (ML) case involving PEPs / public servant compared to other ML cases of corruption. Article 58 under Chapter 7 of the Supervision Law stipulates that supervisory personnel handling supervisory matters shall recuse themselves under any of the following circumstances, and the subject of supervision, the informant and other relevant persons shall also have the right to request their recusal; if supervision personnel is :-
- (i) a close relative of the subject of supervision or the whistle-blower;
 - (ii) has acted as a witness in the case;
 - (iii) he or his close relatives have an interest in the matter under supervision;
 - (iv) any other circumstances that may affect the impartial handling of the supervision matter.
187. Experiences learnt from the ML investigation guide investigative agencies to make full use of financial and other information, and conduct parallel investigations of corruption and money laundering.

Turkmenistan

188. In Turkmenistan, in order to ensure that an investigation involving a PEP / government official remains independent and fair, without any political influence or pressure, security methods or measures such as "maintaining confidentiality" are used, especially to protect information which contains state secrets (state, military, official secrets etc.) and other secrets. The findings of initial enquiries and pre-trial investigations may not be divulged, and only with the permission of the criminal prosecution authority,

subject to the same is not contrary to the interests of the investigation and does not involve a violation of the rights and legitimate interests of others.

189. The criminal prosecution body exercises its powers in criminal proceedings independently of any other bodies or officials. Article 30 and 21 of the Code of Criminal Procedure prohibits interference in its activities of criminal prosecution body and judges respectively, and entail liability also.

Tajikistan

190. The investigation of criminal cases of money laundering in which the subjects are officials, public officials or ordinary citizens is not very different and the procedural actions that are carried out are also similar.
191. Under Article 26(3) of the Code of Criminal Procedure, any form of influence on the prosecutor, investigator or person conducting the initial inquiry in order to obstruct an objective investigation in a criminal case is punishable by law.

Kyrgyzstan

192. In Kyrgyzstan, there is no difference between an ML investigation in a case involving a PEP / civil servant as compared to other ML corruption cases.
193. Experiences learnt from the ML investigation guide investigative agencies to conducting parallel financial investigations.

Uzbekistan

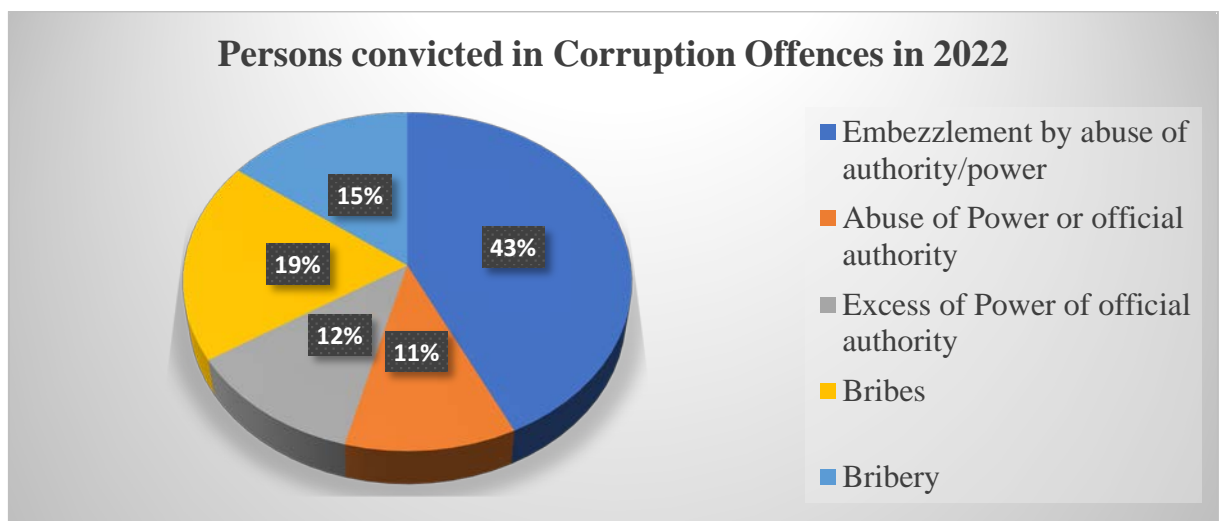
194. In Uzbekistan, the experiences gained from the ML are shared with other LEAs, for which Department for Combating Economic Crimes and other law enforcement agencies continually summarize and analyze anti-crime activities (including ML/TF), based on which analytical reports are prepared and forwarded to all subordinate units. Further, the Economic Crime Department also conducts ongoing typologies studies of ML/TF mechanisms, which result in reports to the relevant supervisory, LEAs and the private sector for use in their work.

Section 4 : Various Types and Sectors of Corruption

195. A complete chart of the types of corruption and sectors in which corruption have been identified by the member countries is enclosed as Annexure 2.

Belarus

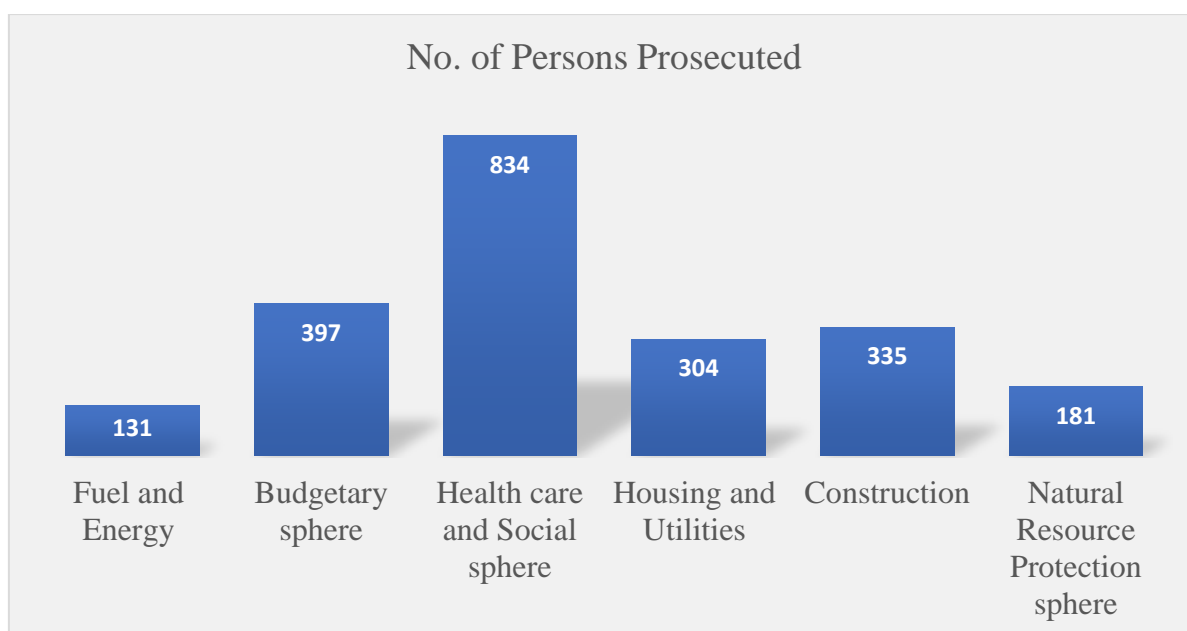
196. In Belarus, the types of corruption offences are embezzlement by abuse of authority/power; abuse of power or official authority; excess of power of official authority; Bribes and Bribery.
197. As per the court statistics of the year 2022, the persons convicted in the different types of corruption offences are summarized below :-



198. The sectors in which the aforesaid corruption offences have been identified in Belarus are trade, agriculture, construction, processing, disposal and dumping of non-hazardous waste, activities of executive and administrative bodies, medicine, veterinary activities, leasing own and rented real estate, forestry, logging, wood processing, manufacturing industry, industrial production, education, defense, public service, banking, transportation and communications.

Russia

199. In Russia, corruption offences are 1.59% of all crimes recorded and 18,194 persons were brought to criminal responsibility for committing these crimes. Bribery is the most serious manifestation of corruption and bribery cases accounted for 20.8% of all corruption-related crimes. The other most common crimes of corruption are abuse of power and exceeding official authority followed by corruption crimes in the allocation of budget funds; misappropriation or embezzlement; forgery; commercial bribery; abuse in the procurement of goods, works and services for state or municipal needs; violation of campaign financing procedures; and illegal receipt and disclosure of commercial, banking or tax secrets.
200. Further, corruption crimes in the allocation of budget funds have been uncovered in the areas of landscaping, agriculture, supply of inventories for the needs of public institutions, social support, as well as abuses in the areas of forest management, telecommunications services, energy, transport, education, public procurement and certification.
201. In 2022, the Investigative Committee of the Russian Federation prosecuted persons in below mentioned sectors for committing the corruption offences :-



India

202. In India, the most common types of corruption offences identified are bribery, embezzlement, extortion, fraud, abuse of power, receipt of kickbacks and influence peddling.
203. The sectors for offence of corruption are policy making, government welfare schemes (misuse / pilferage etc.), corruption by public servants / politically exposed persons, diversion of assets from private sector enterprises by the persons responsible in fiduciary capacity, natural resources (illegal exploitation / illegal mining / wrongful allotment etc.), government auction / tenders, banking, securities, insurance and real estate.

China

204. The corruption offences in China as per the Criminal Law are crime of graft, embezzlement, bribery, acceptance of bribes by an entity, accepting bribery by taking advantage of influence, offering bribes, offering bribes to anyone with influence, offering bribes to an entity, introducing another person to

committing bribery, offering bribes by an entity, holding a huge amount of property with unidentified sources, concealing deposits abroad and furtively distributing state owned assets.

Section 5 : Typologies and Case Studies on Laundering the PoC of Corruption

5.1 Typologies on Laundering of Proceeds of Crime of Corruption in various sectors

205. In Belarus, the typologies on Laundering of Proceeds of Crime of Corruption as noticed in various sectors are as under –
- (i) financial transactions between affiliated organizations involving inventories and funds obtained fraudulently in order to legalize the proceeds of crime (trade);
 - (ii) involvement of stolen property in the economic turnover of the organization by drawing up fictitious documents for the purchase of inventories (trade);
 - (iii) money obtained as a result of tax evasion was cashed out and then involved in the activities of affiliated organizations (withdrawal of assets from private sector enterprises by persons with fiduciary responsibilities);
 - (iv) funds obtained as a result of tax evasion are transferred from the accounts of a foreign firm under control to Belarusian companies, including for the purchase of real estate and automobiles (withdrawal of assets from private sector enterprises by persons vested with fiduciary duties);
 - (v) fictitious entering of stolen property into accounting records and its subsequent use in the financial and economic activities of a legal entity;
 - (vi) The sale of stolen property (under the guise of a legal transaction) to business entities with the subsequent involvement of the proceeds in the financial and economic activities of the legal entity.
206. In Russia, the typologies on Laundering of Proceeds of Crime of Corruption as noticed in various sectors are as under –
- (i) Laundering through property transactions - a number of sales and purchase transactions are carried out in order to give the appearance of bonafide ownership in accordance with civil law.
 - (ii) To legalize the funds, a number of fictitious financial transactions are carried out using the accounts of fly-by-night companies; after passing the criminal funds through the accounts of fictitious organizations, they are mixed with other monetary masses and thus depersonalized, and then cashed out or exported abroad under fictitious contracts.
207. In India, the typologies on Laundering of Proceeds of Crime of Corruption as noticed in various sectors are as under –
- (i) Policy Making – Policy making and its implementation is done with an intent to benefit private entities. This leads to generation of illegal profits for these entities, which are laundered and distributed among the wrong doers.
 - (ii) Corruption by public officials – The public servant uses his family members as a front by routing the funds through banking channels, insurance instruments, stock market instruments and real estate.
 - (iii) Diversion of assets from private sector enterprises – PoC / funds diverted for Private Enterprises are routed using fictitious bank accounts as mule accounts for subsequent diversion into the bank accounts of the accused.
 - (iv) Through illegal mining, PoC is generated in cash and same is laundered by means of purchase of immovable properties in the name of family members / employees.
 - (v) Bank Fraud –
 - a) Proceeds of crime are received in the corporate entity account and thereafter withdrawn for the purpose of acquisition of assets / properties by individuals for personal benefits by routing funds / layering process which includes investments done in various shell entities or proprietorship firms in order to conceal, disguise and transfer the proceeds of crime.

- b) Illegal sanction of loan by bank official in collusion with the private persons in lieu of illegal gratification (out of loan funds) received in the legal entities of the relatives of bank official through shell companies. Loans become NPA causing loss to the bank.
208. In China, the main methods of money laundering of corruption proceeds include opening accounts in the name of close associates, entrusting companies or others to launder money through cross-border remittances, concealed cash, product purchases, equity investments etc.
209. In Kyrgyzstan, the typologies on Laundering of Proceeds of Crime as noticed in various sectors are as under –
- (i) Foreign Economic Activity Sector – Money is transferred to different countries under the garb of importing goods. Later on, goods would not be imported either in part or full.
 - (ii) withdrawal of funds under the guise of loans.

5.2 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Policy Making

210. Case study of India is as under –

Typology :

Policy making and its implementation is done with an intent to benefit private entities. This leads to generation of illegal profits for these entities, which are laundered and distributed among the wrong doers.

Case Study :

Z, being a PEP, misused his powers and through various irregularities in the process of land acquisition for setting up Special Economic Zone, Z got directions issued for the sanction of 450 acres land in the name of company X even without deposition of mandatory amount.

For this favour, X paid INR 500 million to the company Y, which in turn paid INR 55 million (by routing funds) to the family members of Z.

5.3 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Government Welfare Schemes (Misuse / Pilferage etc.)

211. Case study of Russia is as under –

In 2021, a criminal case was initiated against the head of a state health care institution, who by knowingly providing false information about the needs of the institution necessary for its uninterrupted operation, embezzled budget funds of over 41 million Rubles, part of which in the amount of over 16.3 million Rubles was transferred to the account of the controlled individual entrepreneur and was subsequently used to purchase real estate (apartments) for personal needs.

212. Case study of India is as under –

The accused A (college official) along with B (official of Department of Higher Education) fraudulently disbursed scholarship under the Post Metric Scheme for reserved category students by submitting fake caste certificates and opening bank accounts in the name of students by taking their signatures on blank bank account opening forms. Signature of the students were taken on blank cheques / debit vouchers also, through which funds were either drawn in cash or transferred to other accounts, from where they were further diverted / misappropriated by the accused persons.

5.4 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption by Public Servants / PEPs

213. Case studies of Belarus are as under –

Case Study 1 :

‘C’ by means of abuse of authority, stole property of a legal entity; by means of fictitious consignment notes he entered it into the book keeping of the legal entity he controlled and sold it to other business entities; with the use of the proceeds he reflected the same as legal turnover of the legal entity controlled by him.

Case Study 2 :

Mr. D, who is the head of an executive authority, committed embezzlement by abuse of office, abuse of power and taking bribes for favorable resolution of issues within his competence. From the criminally obtained funds Mr. D purchased an apartment and in order to conceal the illegal source of origin he fictitiously registered it as the property of a third party.

214. Typology and case studies of Russia are as under –

Typology :

- (i) Receipt by an official of funds from the account of a foreign company
- (ii) Diversion of budget funds into the shadow turnover by splitting contracts in order to circumvent the law.

Case Study 1 :

N. during the period from February 11, 2020 till December 16, 2021 performed organizational-administrative functions and administrative-economic functions in the Ministry of Housing and Communal Services of the Novosibirsk Region and received bribes in the amount of more than 3 million Rubles from counter agents. He legalized the criminal income by purchasing a car for his spouse as part of a consumer loan.

Case Study 2 :

It was established that as a result of an agreement between officials of one of the ministries of Russia, land plots with a cadastral value of more than 900 million Rubles were transferred for use to the district administrations of the Moscow Region, and then by false documents of the cooperative society (membership in which is of controlled persons) their surveying was conducted for the purpose of registration of their ownership and sale. Criminal cases were instituted against 11 organizers and participants of the group in 2022.

215. Typology and case studies of India are as under –

Typology : Public official used his family members as a front by routing the funds through banking channels, stock market instruments and real estate.

Case Study 1 :

Mr. A, during the time posted as Member, State Service Commission amassed wealth in the form of movable as well as immovable properties by giving undue advantages to the candidates. During investigation, assets disproportionate to his known sources of income / legal remuneration were found. He also utilized the PoC towards acquisition of immovable properties including educational institution and such investments resulted in generation of further PoC.

Case Study 2 :

An FIR was registered by the LEA for the offences of criminal conspiracy, forgery, cheating and criminal misconduct against public officers and bank officials for embezzlement of funds of government body as well as government authority.

Investigation, revealed that the government officials transferred / routed the government funds through multiple accounts and at last, funds were transferred in the bank accounts of private individuals who were not actual awardees (to whom payments were to be made against acquisition of land by the government) of the compensation amount as per official records. The funds so received were later on withdrawn in cash and ultimately utilized for acquisition of properties and repayment of loans.

Case Study 3 :

Ms. A misused her official position as corporator of a city municipal corporation and amassed disproportionate assets to the extent of INR 34.6 million during the check period (05.04.2010 to 09.11.2012). Majority of the properties purchase transactions were undertaken in cash. All the 18 immovable properties of the accused (in name of her and relatives) were attached and the accused was brought for trial.

Case Study 4 :

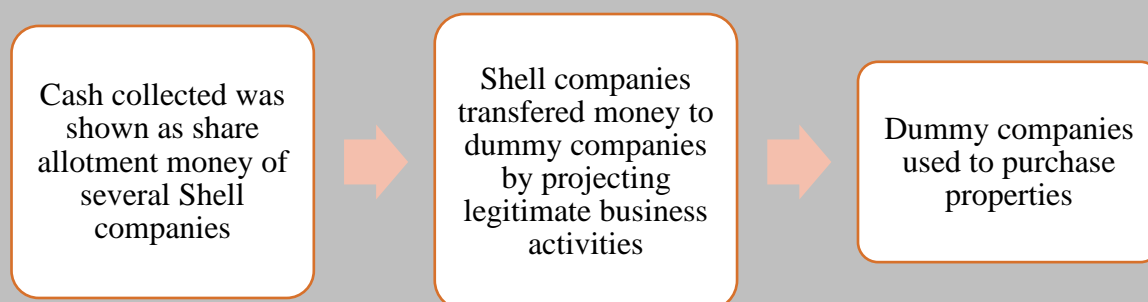
“A” misused his official position with the state government and gained a pecuniary benefit to the extent of INR 12.4 million, which was further utilized by him for purchase of properties in the name of his family members. For projection of these benefits as untainted, “A” carried out construction activities and suppressed the value of the same for its projection as income earned out of salary as well as savings. Properties held in the name of his wife, were projected as having been purchased out of income from agricultural activities and hand loans borrowed from friends in cash. The PoC was attached and trial was conducted. Court convicted them (“A” and his wife) for the offence of money laundering and sentenced them to 3 years of rigorous imprisonment and imposed a fine of INR 5,000/- each. Court also ordered for confiscation of attached properties.

Case Study 5 :

Mr. B, the President of the X, Board of Primary Education, in collusion with Mr. A, Education Minister of a State with the help of well-organized network of agents and intermediaries, was involved in acts of corruption and subsequent money laundering. He illegally qualified failed candidates in the examination by manipulating their marksheets in exchange for money. Investigation further revealed -

Modus Operandi 1

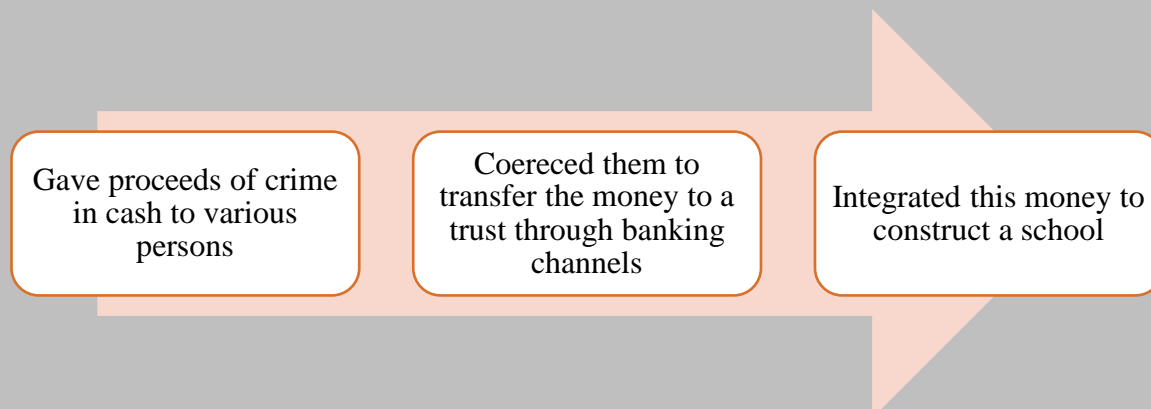
PoC received in cash was shown as share allotment money of several shell companies which were further routed through accounts of various other dummy companies creating a facade of legitimate business activities. Mr. A, Education Minister / PEP in collusion with Mr. B and others floated several such dummy companies to purchase properties using the proceeds of crime.



Modus Operandi 2

Mr. A also established a trust in the name of his deceased wife and utilized cash amounting to INR 150 million (derived from job aspirants) to build a school. Mr. A by using his power and influence also

handed over PoC in form of cash to various persons which were subsequently transferred to the trusts through cheques / banking channels to avoid any kind of scrutiny by the statutory authorities. Moreover, the PoC was also invested in movie industry.



In this way the accused Mr. A and Mr. B by abusing their official position and power, generated illegal gratification by qualifying undeserved candidates and placed, layered and integrated such PoC in financial system through various mode including trusts, schools etc. so as to project the same as legitimate money and also to further generate profit. Investigation resulted in the seizure and attachment of assets worth INR 1,030 million and the filing of prosecution complaints against the accused persons.

216. Case study of China is as under –

Between January 2015 and November 2018, defendant A and co-defendant B abetted their sister C to use their positions to embezzle huge amounts of public money. A received a "commission" of more than RMB 700,000. The court sentenced A to eight years' imprisonment and a fine of RMB 9 million for the offence of money laundering.

217. Case studies of Turkmenistan are as under –

Case Study 1 :

Citizen "A", an official of the state oil company, abusing his authority for selfish reasons, received bribe in the form of money from his employees in the amount of 1,790,000 manat, thereby violating legitimate interests of the state. With the money received, he bought a car and a plot of land with a total value of 290,000 manat. The mentioned property was registered in the name of his wife. Within 1 year he rented out the house and received profit. The court of K. found him guilty of bribery and laundering of money and property. Money amounting to 7,928,588 manat, 4 vehicles and 2 residential houses were confiscated and converted to the State, and citizen "A" was sentenced to 20 years' imprisonment.

Case Study 2 :

Citizen "A", an official of the state gambling concern, by abusing his official powers for personal gain, purchased software keys for betting from foreign companies and by deception sold them to customers at twice the inflated price, thereby he significantly violated the legal interests of the concern and earned an illegal profit of 950,000 manat. He transferred a part of the profit to the budget of the concern and embezzled the rest of the money. As legalization he purchased electronic equipment and was renting it for one year, thus obtaining profit. Citizen "A" was found guilty of abuse of power, fraud, embezzlement of state property and legalization of criminal income. The court verdict confiscated all the electronic equipment to the state, and citizen "A" was sentenced to 14 years in prison.

5.5 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Private Sector Enterprises by the persons responsible in fiduciary capacity

218. Typology and case study of Belarus is as under –

Typology : Monetary funds received as a result of tax evasion were transferred from the accounts of a controlled foreign company to Belarusian business entities, which were used for the purchase of real estate and cars.

Case Study : Citizen A, being the actual owner and head of foreign company B (the Republic of Estonia), as well as representative office of company B in the Republic of Belarus, in complicity with other unidentified persons, acting between January 2018 and February 2019 with a single intent, being on the territory of the Republic of Belarus, carrying out activities on behalf of controlled B and representative office B in Belarus, to give legal appearance to possession, use and disposal of money amounting to 1.76 Million Rubles received as a result of the tax and duties evasion (crime) in Republic of Belarus, with the purpose of concealment, distortion of origin, location, placement, movement and actual ownership of these funds by transferring them from the current accounts B opened in banks on the territory of the Republic of Estonia, to the accounts of the representative office B in the Republic of Belarus and other Belarusian residents opened in banks on the territory of Belarus.

219. Typology and case study of India is as under –

Typology : PoC / Funds diverted for Private Enterprises are routed using fictitious bank accounts as mule accounts for subsequent diversion into the bank accounts of the accused.

Case Study : The accused A, being the Managing Director of a Bank, in collusion with directors / officials of his company X, ensured sanction of 70 housing loans amounting to INR 62.7 million in the name of several existing and non-existing employees of certain related companies.

Directors of company X used forged signatures to open the loan accounts in the name of existing and non-existing employees, without their knowledge. Subsequently, loan funds were received through fraudulent means in the bank accounts of employees, which were diverted to the bank accounts of Directors of the company X for personal gains which were ultimately used by the Directors of company X (including accused A).

220. Case study of China is as under –

A was the head of a trust company and signed a false contract to apply for funds of RMB 12 million. After the 12 million yuan was transferred to the account of a company controlled by B, B transferred funds to a number of other companies, confusing the source and nature of the stolen funds to A's personal disposal and use, accumulating 10.2 million yuan in fraudulent and laundered trust funds.

221. Case study of Turkmenistan is as under –

Citizen "I", as the director of an individual enterprise Lallak, that is, a person performing managerial functions in a commercial organization, in order to derive benefits and advantages for himself through abuse of authority, using a forged application on behalf of his father citizen "D", illegally obtained a plot of land in Balkanabat with a total area of 1,890 sq.m., after which he constructed a wedding hall on that illegally obtained plot.

Balkanabat court found him guilty of committing offences under multiple charges of the Criminal Code and was sentenced to 7 years' deprivation of liberty. The wedding hall was also confiscated and transferred to the state account.

5.6 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Natural Resources

222. Case study of Russia is as under

In 2022, a criminal case was initiated for the theft of budgetary funds amounting to 37 million Rubles, allocated to a region of Russia under the national project "Ecology" for ecological rehabilitation of rivers by overstating the amount of work performed by the management of the commercial organization which conducted the work.

223. In India, PoC is generated in cases of illegal exploitation / illegal mining / wrongful allotment, by the following – under reporting of amount of extracted natural resource; illegal exploitation / mining in connivance with the mining / forest officials; wrongful allotment on the basis of fake / insufficient documents; and mining from adjacent un-allotted areas.

Typology and case studies of India are as under –

Typology : Through illegal mining, PoC is generated in cash and same is laundered by means of purchase of immovable properties in the name of family members or employees of the accused.

Case Study 1 :

From 31.07.1990 to 31.07.2009, illegal mining was done by the company A, in conspiracy with mining officials and other government officials. Through illegal mining a loss to the tune of INR 1,300 million (approx.) was caused to the Government Exchequer.

Case Study 2 :

Mr. A, along with his family members gained pecuniary benefits by entering into a conspiracy with state government officials and illegally extracting iron ore worth INR 630 million for subsequent sale in the local market. For facilitation of the same, Mr. A collected "Risk Amount" of about INR 410 million which was subsequently used for acquiring immovable properties in the name of his family members. Majority of the purchase consideration were paid in cash which showed that the accused persons utilised a part of the proceeds of crime to purchase the said immovable properties. Part of proceeds of crime was utilised for making payment to the government officials in the form of illegal gratification for obtaining fake permit / license for transportation of illegally mined iron ore and clearance of lorries carrying the illegally mined iron ore and for making payment to the persons employed at illegal stock yards and plots. PoC (in the form of immovable properties and others) was subsequently attached, which were in possession of accused persons and their family members.

5.7 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Government Auction or Tendering

224. Case study of Russia is as under –

In 2022, a criminal case was initiated against the Director General of a state-run energy company and against his subordinates, including the Chairman of the tender commission, on the fact of receiving an illegal cash payment totalling to 227 million Rubles for assistance in the conclusion of a state contract for research and development, contrary to the requirements of antitrust laws. A criminal case was initiated for legalization of part of the money which was received as unlawful remuneration for work.

225. Typology and case study of India is as under –

Typology : Government contractors submitted exaggerated bills for supply of vehicles required for the purpose of de-siltation work carried out by the Municipal Corporation.

Case Study : Some of the contractors / suppliers were given the supply order without even bidding and some of them received supply order despite not being lowest bidder in the comparative statement. Even the registered number of vehicles mentioned in the bills were later found to be fake. Thus, causing loss of INR 5.6 million on Govt. exchequer.

226. Case study of Uzbekistan is as under –

"A", occupying a senior position in a budgetary organisation, by abusing his power and authority, planned to embezzle funds of 12 billion soums (\$1.1 million) allocated for the reconstruction of the building of a budgetary organisation, opening three front companies in the name of his acquaintances to participate in the ongoing tender. The investigation revealed that the heads of the companies were A's relatives who participated in the tender as a formality.

Furthermore, A transferred funds of 12 billion UZS from the account of a budget organization to an affiliated company, after which UZS 10 billion of the proceeds were spent on works and construction materials and the remaining UZS 2 billion was cashed out of the company's account. The cash proceeds were subsequently used to purchase real estate in the wife's name.

As a result, criminal proceedings were initiated against A and others for embezzlement, official forgery and legalisation of proceeds of crime

5.8 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Banking

227. Case study of Belarus is as under –

Mr. B, as an official - Chairman of the Board of the bank, had created and ran an organized criminal group of bank officials, which during the period from 01.01.2004 to 11.06.2020, was engaged in criminal activity, expressed in the systematic receipt of bribes for favorable resolution of issues within the jurisdiction of the organized criminal group, as well as for performance of actions in the interests of bribe givers, using official authority, related to the conclusion and execution of contracts (agreements), including Mr. B received for himself and his relatives as bribes more than 30 million Belarusian Rubles in US Dollars, Euros and Rubles (taking into account the exchange rates of the National Bank of the Republic of Belarus), which were accumulated in the bank accounts of the legal persons under his control.

For laundering the PoC of 1.1 million Rubles, Mr. B organized a series of financial transactions (conclusion of sham loan agreements and the transfer of funds under the pretext of returning the loan) and purchase of a real estate facility in Minsk and its registration as the property of a legal entity controlled by Mr. B.

During the course of the financial investigation, the property of Mr. B and other persons, including that obtained by criminal means, and subject of legalization were seized. Citizen Mr. B was found guilty by a court verdict of taking bribes on an especially large scale by an organized group and of money laundering on an especially large scale and was sentenced to 14 years' deprivation of liberty, 14 years of imprisonment in a penal colony under strict regime with a fine of 5,000 base units to the amount of 145,000 Rubles and deprivation of the right to hold positions related to the implementation of the organizational, administrative and housekeeping duties for a period of 5 years.

Property acquired by Mr. B by criminal means was confiscated to the State : cash (in cash and on bank accounts) - over €1.4 million, \$361 thousand, 6 million Belarusian Rubles, stakes in the authorized capital of legal persons, corporate bonds, real estate (land), cars, works of art (paintings) and luxury goods (a collection of expensive wrist watches) and more.

228. Case study of Russia is as under –

In 2021, a criminal case was brought against a criminal group consisting of representatives of the board of one of the banks, who by using forged powers of attorney for a non-repayable loan, stole money in the amount of over 1.5 billion Rubles from the accounts of organizations under their control and subsequently legalized it by purchasing real estate.

229. Typologies and case studies of India are as under –

Typology :

(i) In the case of laundering of PoC of corruption in banking, a company in conspiracy with bank officials committed loan fraud and on the basis of forged balance sheets and wrong revenue data (wrong valuation of assets), the company took loans which were diverted for other than the declared purpose and became NPA.

(ii) Loan funds were diverted using shell companies by way of layering and ultimately the funds were embezzled.

Case Study 1 : Mr. M, Chief Manager, while posted at Bank A, opened five Fixed Deposits (FDs) of nominal amounts. On the basis of these FDs he opened ODBOD (Over Draft against Banks Own Deposits) accounts in different names. He managed to enhance limit in all such ODBOD accounts by attaching third party FDs of various customers without their permission and utilized amounts from such ODBOD accounts for his personal use by remitting the same to his personal accounts with another Bank B. He repeated the same modus operandi at N Branch to adjust the various ODBOD loans given by him at O branch. The unauthorized opening of ODBOD account came to light when staff were suspicious about abnormal behaviour of the branch manager and his failure to provide the documents in respect of such ODBOD accounts even after asking for the same several times.

Case Study 2 : Directors of company X colluded with officials of Bank B to obtain loan by violating banking norms. During year 2002, the officials of X approached B for obtaining loan and B initially sanctioned loan amounting to INR 20 million against collateral securities (three properties) valued at INR 100 million.

Subsequently from 2012 onwards, B increased loan limits enormously which rose up to INR 3081.3 million in 2015 against increased mortgage / security valuing INR 1474.3 million only. The company failed to repay loan on regular basis and when account of X was declared NPA in 2017, INR 2858.1 million was outstanding with the company besides unapplied interest of INR 669.1 million against mortgaged collateral property valued at INR 1710 million. Moreover, during the same period, X has also borrowed INR 165 million from private bank C and INR 250 million from private bank D on the basis of same properties which were already pledged with Bank B. Total PoC in the case was estimated as INR 3527.2 million.

Diversion of loan

During the course of investigation, it was observed that the loan amount was sanctioned for purchase of raw material, processing and manufacturing of goods. However, company X has utilized the loan proceeds towards servicing instalments of term loan account of other sister companies, credit account of other sister companies, cash withdrawals against Inland Letter of Credits (ILC) of sister concerns and fund transfer to sister companies without any commercial basis.

Layering / Integration of PoC and attachment of PoC

The proceeds of crime were lying in the form of huge cash deposit in bank accounts and immoveable properties in the name of the company X and its sister concerns. These properties collectively valued at INR 1450 million have been attached under ML investigation.

Case Study 3 : Accused persons, being office bearers of a co-operative bank B, during the period from 01.04.1997 to 31.03.2002, entered into a conspiracy with the common intention of making illegal gains, created fabricated documents in the names of fictitious persons, filed loan applications in the names of the said fictitious persons in the said Bank, drawn and utilized the amounts that were sanctioned against the said bogus loan applications to purchase the properties in their names as well as in the names of their kith and kin.

230. Case study of China is as under –

A was a director of Company X, instructed the accountant to provide multiple bank cards to launder 400,000 yuan of embezzled money through bank transfers, after which the accountant withdrew the money to him.

231. Case study of Uzbekistan is as under –

As per the STRs received, the activities of “A LLC” were analysed by the Department, which resulted in a decision to suspend the funds for 30 working days. The bank officer handed over the prescription to the Superintendent, who instructed the Chief Accountant of Bank B to suspend the funds amounting to UZS 1.3 billion. Despite the existence of the Department's order, Bank B's chief accountant violated the requirements of Law by failing to comply with the order and funds amounting to UZS 1.3 billion were withdrawn to the accounts of other companies. The investigation revealed that an employee of Bank B had received \$10,000 from the head of “A LLC” in order to delay the execution of the Department's order. In addition, a parallel financial investigation conducted jointly with law enforcement authorities, which revealed that an employee of Bank B had purchased a Spark vehicle in the name of his son (a student) for \$7,500.

As a result of these investigations, criminal proceedings were instituted against “A LLC” and others for omission of authorities and legalization of proceeds of crime.

5.9 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Securities

232. Case study of Russia is as under –

The Federal Financial Monitoring Service, in the course of its financial investigation into a high-ranking official, found that during his tenure as federal minister, he was the ultimate beneficiary of a Russian energy company through a number of offshore companies.

Continuing to perform his duties the main person involved in the audit sold the energy company under his control for 32 billion Rubles, thereby committing a crime under Article 289 of the Criminal Code “Illegal participation in business”.

The money received in payment for the energy holding company, for the purpose of their subsequent legalization, was split into several parts and transferred to offshore companies, the beneficiary of which was the official. In order to legitimize the possession, use and disposal of the funds received from the accounts of offshore companies, shares in Russian “blue chips” and bonds of Russian banks totalling to at least 3.5 billion Rubles and about \$32 million were purchased.

The criminal case was also initiated for legalization of criminally obtained funds. The funds in question was frozen by civil proceedings as advised by the General Prosecutor's Office of the Russian Federation.

233. Typology and case study of India are as under –

Typology : For laundering of PoC of corruption in securities, cash amount was invested in shares of dormant company and later the price of such shares got inflated through insider trading. These shares were sold at inflated price by the help of exit providers and PoC was received through banking channels while the difference amount is paid to such exit providers in cash.

Case Study : Mr. A had corruption / unaccounted money of INR 340 million in cash. Mr. A in collusion with Mr. B (a chartered accountant) invested part of his unaccounted money (INR 3 million each) for buying 1 million preferential shares each of M/s X in 5 different names including in name of himself, his wife and relatives / trusts. Later on, the share price of M/s X was artificially increased through shell companies controlled by Mr. B and others and the said shares were sold by Mr. B and others, at high price causing gain amounting to INR 347.3 million. Shares at such inflated price were sold to certain exit providers to whom the amount has been given by Mr. A in cash. Certain percentage of commission was also paid to Mr. B and others for their assistance in criminal conspiracy. Thus, Mr. A placed, layered and integrated his illegal income / cash in financial system, to project the same as legitimate money. Thereafter, the said funds were ultimately utilised for purchasing shares of various listed companies and a part of divested funds were utilized for purchase of Jewellery and immovable property also.

234. Case study of China is as under –

“A” was a director of a securities regulator responsible for the financial review of companies' applications for initial public offerings and refinancing, and provided assistance to the companies concerned in obtaining financing approval from the SFC.

“A” accepted bribes by selling items such as paintings and porcelain to companies that offered and accepted bribes at prices significantly higher than the market price.

5.10 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Insurance

235. Case study of China is as under –

Company A intends to pay a bribe to an official B, A purchased an insurance for B's daughter that carries dividends or pays principal on maturity.

236. Case study of India is as under –

Mr. A, officer in insurance sector accumulated illegal proceeds of crime of around INR 10 million. He invested the same (in form of insurance investments, properties etc.) in the name of himself and his relatives.

237. Case study of Turkmenistan (in brief) is as under –

Citizen "A", using her official position in collusion with Citizen "B" in order to receive a bribe in an especially large amount in 2014-2018, performed actions, for the benefit of the bribe giver, an insurance representative of several foreign companies, provided assistance in choosing representatives or brokers. “A” received a bribe of USD 989,093 through the mediation of her husband Citizen "B". To legalize the bribe received and for illicit enrichment, Citizen "B", purchased vehicles, flats, equipment for the shops etc.

Citizen "A" was sentenced to 20 years' deprivation of liberty, without the right to work for 3 years in a senior position. Citizen “B” was sentenced to 20 years' deprivation of liberty, of which 17 years were strict regime. Citizen "B" was also sentenced to 10 years' deprivation of liberty, without the right to engage in business activities for three years.

5.11 Typologies and Case Studies for laundering of Proceeds of Crime (PoC) of corruption in Real Estate

238. In Russia, as per the results of the National Risk Assessment of Money Laundering (NRA-ML), the use of real estate in money laundering schemes was classified as a moderate risk group. Therefore, money obtained as a result of corruption offences, crimes in the budget sphere and other offences can be invested in real estate. An information letter was prepared in order to guide organizations (individual entrepreneurs) providing intermediary services in the implementation of real estate purchase and sale transactions, notaries carrying out notarization of transactions with real estate, which provides for the following signs that may indicate that the real purpose of the transaction with real estate is legalization –

- (i) Suspicious behavior of the client (transaction participants) like insistence of the client for transaction in cash;
- (ii) Peculiarities of accounting under the transaction like a short term for repayment/repayment of funds and actual financing of the transaction by a third party, especially from money received from abroad; and
- (iii) Peculiarities of the conditions of the transaction like repeated participation of the same participants in the transaction within a short period of time and consecutive increase/decrease in value of the real estate property in a short period of time.

Based on the above criteria (attributes), suspicious transactions are reported to Rosfinmonitoring.

239. Typology and case study of India are as under –

Typology :

The loan funds obtained from bank and funds collected from the customers are diverted for other project, and to builders / companies beneficially owned by builders; leading to non-completion of projects, and loan accounts becoming NPA and customers being robbed off for the deposits.

Case Study :

M/s X group of companies (engaged in real estate activities) proposed to construct projects having around 42,000 flats and to collect funds, investors / home buyers were allured to make payments in advance promising assured return on investment till the time of possession of flats. However, neither the possession of the flats nor assured returns were given to the homebuyers. Money Laundering investigation revealed that companies relating to M/s X had received funds amounting to INR 115.73 billion from different home buyers for different projects, while funds amounting to INR 40.40 billion were raised from various banks and other sources. Out of this, only INR 96.30 billion was utilized for the construction activities, while balance amount of around INR 59.82 billion was diverted for other than real estate activities including INR 32.21 billion diverted to the key management persons of the M/s X and their representatives in guise of professional fees, advances, loans etc.

240. Typology of China is as under –

The real estate sector commonly uses the following means to launder the proceeds of corruption:

- (i) purchasing a home at a low price;
- (ii) selling a home at a high price;
- (iii) giving it away for a price difference or interest; and
- (iv) disguising the disposal of a home for profit.

Transactions are conducted using actual prices that are not in line with market prices, intertwining bribery with market behaviour to disguise the proceeds of corruption offences.

Section 6 : Sector Wise Vulnerabilities

241. Sector wise vulnerabilities that are most commonly exploited by money launderers for laundering the proceeds of crime of corruption, are tabulated below :-

Sector	Vulnerabilities
Real Estate	<ul style="list-style-type: none"> ➤ Sale and purchase of property in cash. ➤ Registration of property by the launderers in the name of family members, close associates, dummy persons, shell companies / legal entities etc. ➤ Large scope of mis-reporting of value of property (compared to market price) – under valuation and over valuation, as the case may be.
Banking	<ul style="list-style-type: none"> ➤ Inflating revenue / books of legal entity to obtain loan and later diversion of loan funds through sham transactions / agreements. ➤ Securing loan on the basis of fabricated documents. ➤ Lax implementation of Customer Due Diligence mechanism leading to opening of bogus accounts / accounts in name of dummy persons.
Securities	<ul style="list-style-type: none"> ➤ Acquisition of shares / equity, lower or higher than the Fair Market Value / Net Asset Value, as the case may be.
Diversion of assets from Private Sector Enterprises	<ul style="list-style-type: none"> ➤ Pliant auditors failing in their statutory duties, leading to sale of assets of the company below actual price. ➤ Falsification of payment vouchers or inflating expenditures. ➤ Withdrawal of funds through settlement accounts of organizations (having very high number of transactions).
Insurance	<ul style="list-style-type: none"> ➤ Transaction through cash. ➤ Filing of false claims.
Government Welfare Schemes	<ul style="list-style-type: none"> ➤ Lack of robust internal audit mechanism. ➤ Inadequate Customer Due Diligence of the bank accounts of beneficiaries.
Public Servants / PEPs	<ul style="list-style-type: none"> ➤ Lack of institutional framework for continuous & timely monitoring of actions of PEPs / Public Official. Holding assets acquired from diverted budgetary funds in the name of family members, close associates, dummy persons, shell companies, etc.
Natural Resources	<ul style="list-style-type: none"> ➤ Allotment of natural resources / mines below market price and payment of value / price gap in cash. ➤ Under reporting of extracted natural resources.
Government Auction or Tendering	<ul style="list-style-type: none"> ➤ Public official participating in auction / tendering of his organisation through family members, close associates, dummy persons, shell companies etc.
Policy Making	<ul style="list-style-type: none"> ➤ Biased formulation of policy to benefit particular business establishment to give / take undue benefit.

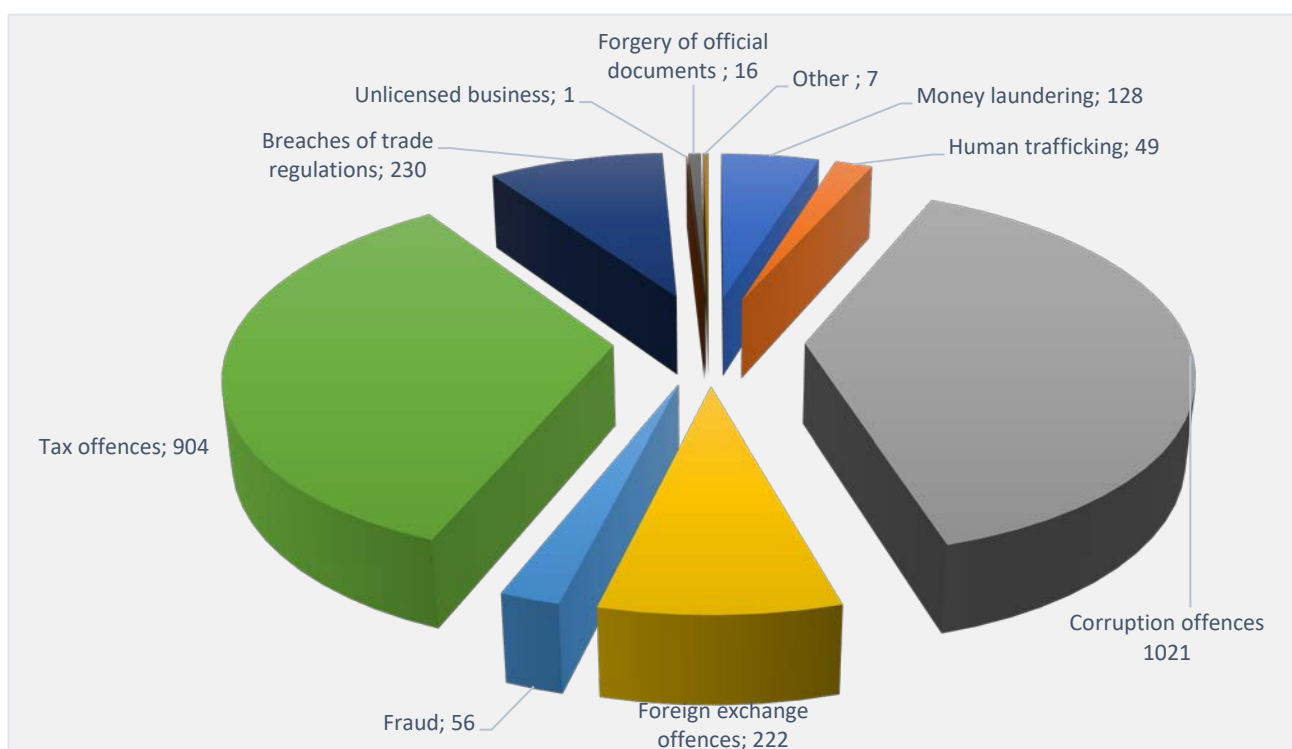
Section 7 : Role of FIU, Details of STRs Generated by FIU and Action Taken Based on STRs

242. FIUs generate reports like Suspicious Transaction Reports (STRs), Cash Transaction Reports (CTRs), Cross Border Wire Transfer Reports (CBWTRs), NPO Transaction Reports (NTRs), Counterfeit Currency Reports (CCRs) and others, for dissemination with LEAs. FIUs play a key role in countering money laundering and economic offences at the domestic and global level by collecting financial intelligence and sharing analysis with relevant organisations. FIUs keep a keen eye on the emerging trends and risks in financial landscape and carries out tactical, operational, and strategic analysis of their databases to identify key money laundering trends, typologies and developments.

243. Details of STRs generated by FIU and cases registered / recorded by LEAs based on STRs for the period 2020-2022 (as available), are as follows :-

	Number of STRs generated / disseminated by the FIU during the period 2020 to 2022			Number of cases registered / recorded by LEAs on the basis of STRs generated by the FIU during the period 2020 to 2022		
	Russia	Kyrgyzstan	India	Russia	Kyrgyzstan	Uzbekistan
Total	15,318	126	289,911	9,265	16	1,043

244. The number of AML Analytical Reports Provided by FIU, Uzbekistan (totalling to 2,634) that facilitated detection of offences by the Department for Combating Economic Crimes (DCEC) are :-



245. Analysis of AML Analytical Reports provided by FIU, Uzbekistan reveals that percentage share of the offences majorly detected by the Department for Combating Economic Crimes (DCEC) are – Corruption (38.76%), Tax Offences (34.32%), Breach of Trade Regulation (8.73%), Foreign Exchange Offence (8.42%) and Money Laundering (4.85%).

Section 8 : AML Tools and Methods Used / Employed to Trace and Recover Proceeds of Crime

Belarus

246. In Belarus, Department of Financial Investigations of the State Control Committee hosts a contact point for CARIN, an informal European network of law enforcement and justice agencies specializing in tracing, freezing, seizing and confiscating criminal assets. In CARIN, the main form of information exchange involves sending a request and receiving an answer, however direct communication of CARIN contact points using telephone, e-mail, messengers is allowed in order to determine the possibility and expediency of subsequent submission of the request.

Russia

247. In Russia, the most prevalent methods of laundering the proceeds of crimes of corruption are conducting non-cash transit operations using bank accounts opened under false documents or in the name of nominal owners; placement of illegally obtained cash in the accounts of individuals in organizations engaged in transactions with cash or other property; and purchase (lease) of vehicles (their separate parts).
248. An interdepartmental working group on asset recovery from abroad has been established under the auspices of the Prosecutor General of the Russian Federation, whose activities involve representatives of 17 state bodies and organizations, which considers the issues of introducing amendments to the legislation and improving the efficiency of asset recovery from abroad. Moreover, requests for legal assistance in criminal cases relating to seizure of property obtained by criminal means are also sent to the competent authorities of foreign States.

India

249. In India, traditional investigative techniques such as surveillance, searches, survey, recording of statements and financial audits are employed to gather information. Information is also collected from multiple sources including Income tax, Customs, database of legal entities, insurance / securities market etc. Information from foreign jurisdictions is also obtained through MLAT, Letter Rogatories, Interpol and informal channels like Asset Recovery Interagency Network - Asia Pacific (ARIN-AP), Egmont Group, Globe Network etc. Information collected from the above sources / methods help in tracing proceeds of crime. Action provided under PMLA or Criminal Procedure Code are taken to secure and recover PoC by means of attachment, freezing and confiscation of proceeds of crime. If assets have been transferred out of India, then international cooperation is obtained through the channels mentioned above.

China

250. The common techniques / tools used to launder the proceeds of corruption are buying financial products; buying houses at low prices and selling them at high prices; using other people's bank accounts to transfer cash; using family members or close associates to hold shares on behalf of others; selling bribes in kind (tobacco and alcohol vouchers) for cash; trading through virtual currencies; transferring the proceeds of corruption overseas; and signing false loan agreements and false share transfer agreements to receive bribes in the name of "payment for goods" or "consultancy fees".
251. In China, "Sky Net" operation conducted by the Central Commission for Discipline Inspection and Supervision has been launched since 2017 which has resulted in detection / recovery of 6,900 fugitives and PoC over RMB 32.786 billion.

Turkmenistan

252. In Turkmenistan, measures have been taken to confiscate and return the proceeds of crime, which were moved out of the country. Such confiscation of proceeds moved to other countries and return of assets has only occurred in one case, as per details below :-

The head of a large state-owned enterprise, citizen "B", was prosecuted under the Criminal Code articles for corruption. The investigation revealed that the accused citizen "B" had a bank account in a bank in a European state where the proceeds of crime were kept. A tripartite Agreement was signed between the Government of Turkmenistan, the European State and the United Nations Development Programme in 2019-2020 for the return of the assets, provided that they were used for the needs of the people of Turkmenistan. On 25 January 2020, funds amounting to USD 1,306,504.47 were deposited into the bank account of the Ministry of Finance and Economy of Turkmenistan as part of the asset recovery procedure.

Tajikistan

253. In Tajikistan, investigators send requests to the Financial Monitoring Department under the National Bank of Tajikistan (FMS) to analyse the movement of funds of the suspected persons in the bank accounts and FMS in turn collects information on the movement of non-cash funds of the requested person. Based on the information, the investigative bodies, in accordance with the CPC, take measures to seize and further confiscate the assets of the suspected persons.

254. FMS also collects information on the diverted funds from various governmental and non-governmental organisations on the basis of an international request. If it is possible to locate the removed assets and there is an international agreement between the Republic of Tajikistan and the foreign country (where the asset is located) then a sanction is imposed on the asset and sent for execution to the foreign country.
255. In practice, there are problems in identifying and tracing the assets that have been withdrawn, as a large part of Tajikistan's economy operates through cash payments. Another problem in identifying illicit assets is the use of hawala money transfer systems outside the country. This system is not regulated by the state and all settlements under this system are made in cash and leave no trace.

Kyrgyzstan

256. In Kyrgyzstan, identification of affiliated persons, analysis of cross-border transfers and collection of information through foreign FIUs / MLAT requests are carried out to trace, recover assets from money launderers. Since long time, smuggling is the most common tool for high level of corruption in the existence of has been and still remains till today. This observation is supported by the statement of the national security agencies that there is a well-established corruption scheme in the customs service system to generate shadow revenues in customs administration by certain officials.

Uzbekistan

257. In Uzbekistan, the law enforcement agencies use various mechanisms of asset recovery, which includes utilising international interagency networks. In order to protect the financial system, early prevention and suppression of crimes, as well as fulfilment of international obligations in this regard, the Strategy of development of the national system in the field of AML/CFT/CPF and "Roadmap" for its implementation were approved in July 2021; which included separate role for strengthening cooperation with foreign countries on search, arrest, confiscation and return of property obtained from criminal activity and assets from abroad. Also, in May 2021, the authorities of Uzbekistan including Supreme Court and Ministry of Internal Affairs, approved a Joint Directive for effectively coordinating outgoing requests to the foreign countries and executing the requests received from foreign states.

Section 9 : Analysis of Effectiveness of Channels of Communication

9.1 Ineffective communication - A barrier in ensuring effective AML controls

258. In India, it has been noticed that if there is ineffective communication among different government departments and financial institutions, it act as a significant barrier in ensuring effective Anti-Money Laundering (AML) controls. Like –
- (i) Ineffective communication can result in delays in exchanging crucial information related to money laundering cases. The money launderers often take advantage of these delays and further conceal their illicit activities.
 - (ii) AML controls often require / involve joint investigations and coordination between different government departments, such as law enforcement agencies, tax authorities, and regulatory bodies. Ineffective communication leads to weaker / less effective AML controls, which is advantageous situation for money launderers.
259. In Tajikistan, if the interaction between public authorities and financial institutions is assessed as ineffective, it leads to lack of timely awareness of new risks and vulnerabilities and substandard STRs and other reporting;

9.2 Utilization of informal channels of communication

260. In Russia, the Ministry of Internal Affairs uses channels of direct interaction with the competent authorities of foreign member states of the Commonwealth of Independent States successfully on an ongoing basis.
261. In India, multiple agencies including Directorate of Enforcement (ED) often use informal channels for communication for requesting information from its foreign counterparts. During the period 2019 to 2022, ED alone made around 45 AML/CFT requests to foreign law enforcement authorities and received around 104 requests from foreign authorities.

262. In India, informal co-operation on a real time basis plays a significant role in improving the utility of the information provided. Either the foreign counterparts are informed or they keep the ED informed about the exact needs of the investigation. An example highlighting the significance of the informal cooperation is as follows :

On the basis of FIR registered by Kolkata Police, against M/s Alchemist group and its directors for defrauding thousands of gullible investors through ponzi schemes, money laundering investigation was carried out against M/s Alchemist group and its directors. During ML investigation, it was suspected by ED that the accused in the case owned properties in USA. Accordingly, to gather information on the suspected properties located in US, a request for an informal enquiry was forwarded to USA through CARIN. The US authorities were requested to verify the ownership of the suspected properties which had been acquired by the proceeds of crime generated in India. In response, the information pertaining to the ownership of the properties were shared promptly by US authorities with ED along with the other assets held by the accused. The information was very beneficially in the furtherance of investigation in the case.

9.3 Utilization of formal channels of communication

263. Statistical data with respect of number of formal requests (LR, MLAT etc.) sent / executed, during the period 2017 to 2022 are as under :

Name of the Country	Total Number of requests sent (LR, MLAT etc.) during the year 2017 to 2022	Total number of requests which got fully / successfully executed during the year 2017 to 2022	Average time taken in getting the requests fully / successfully executed
Russia (for 2022 only)	24	7	2 years
India[#]	290	31	1-2 years
Belarus	108	55	6 months
Uzbekistan	861	469	3-4 months
Kyrgyzstan	1159	1159	15 to 30 days

- formal requests sent for investigation of offence of Money Laundering.

Section 10 : Post – Pandemic Emerging Challenges to Counter Money Laundering

264. The emerging challenges observed in the post - pandemic coronavirus period and due to rapid proliferation of virtual assets and cryptocurrencies, are as under :-
- In Tajikistan, increase in corruption offences in the health sector has been noticed, which involve embezzlement of state and foreign humanitarian aid by individuals, abuse of power in the distribution of these funds etc.
 - Post COVID, there has been accelerated development of "no-touch" financial services. The increased reliance on digital financial systems and lagging pace of regulatory framework / proper mechanism for KYC and Customer Due Diligence (CDD) has increased the possibility of digital space to be exploited for money laundering.
 - Increase in online frauds and cyber crimes has been noticed which has led to not only increase in quantum of PoC generated from these crimes but also increase in misuse of personal data

- (obtained through hacking etc.) to siphon money or launder PoC. Criminals are exploiting new avenues, such as online platforms, digital currencies and virtual assets, to launder illicit funds.
- (iv) Technological features have increased anonymity such as the use of peer-to-peer exchange websites, mixing or tumbling services or anonymity-enhanced cryptocurrencies. Given the widespread use of digital currencies, criminals are actively using them to legalize (launder) proceeds of crime by purchasing digital assets for controlled persons. Therefore, criminals can exploit financial infrastructure of countries with weak, or absent, national measures for virtual assets to launder PoC.

Section 11 : Outcome / Findings

265. Corruption and money laundering are two facets of the same coin and are intrinsically linked. Corruption leads to generation of huge proceeds of crime, which requires a system for its laundering and placement. Therefore, there is a need to have mechanisms and legislations in place to counter not only the offence of corruption but also the offence of money laundering.
266. In all member countries, legislations are already in place to deal with the offence of corruption and related offences, which have very specific salient features spanning from establishment of a specialised body or law enforcement agency to punishment, confiscation, legislative framework to stop interference and checking corruption. In case of India, legislations dealing with the offence of corruption and related offences even provides for – criminalising the attempt of offence of corruption; and confiscation and attachment of any property owned by the public official through corrupt practices during pendency of proceedings against the said public official.
267. The legislation of the member countries ranges from criminal code, criminal procedure, federal law, dedicated legislation to specifically deal with the offence of corruption, law to establish / put in place bodies for supervision / vigilance, administrative laws and for protection of persons who report offence of corruption. This wide spread spectrum of legislations reflect that there is no legislative vacuum to deal with offence of corruption. This also shows the intent of the legislatures bodies and priority assigned for dealing with the offence of corruption.
268. Further, all member countries have agencies and framework in place to implement the legislations governing corruption and related offences. They also have multiple government bodies or other organizations in place to conduct investigation related to offence of corruption. These bodies have their own role and domain of working.
269. All member countries (except Uzbekistan and Tajikistan) have enabling legislations or provisions for taking civil action for the offence of corruption. In case of Uzbekistan, authorities are already carrying out study for the civil action for the offence of corruption. In case of Tajikistan, they have provisions under AML / CFT / CPF legislation, in case corruption is a related / predicate offence.
270. All member countries have legislations or provisions for taking criminal action for the offence of corruption. The maximum term of imprisonment for offence of corruption, under the legislations of members countries, range from 15 years to life imprisonment, in addition to penal provisions. However, the member countries need to adapt / learn from the legislative provisions (civil and criminal both) for the offence of corruption provided in Section 1.3 and 1.4 above.
271. All member countries have specific and separate legislation in place to deal with the offence of Money Laundering. They also have provisions in other laws or criminal code to deal with the offence of money laundering, like in the case of China where Article 191 and 312 of the Criminal Law deal with ‘the crime of money laundering’ and ‘the crime of disguising and concealing proceeds of crime’ respectively. In case of Uzbekistan, a new Act is being drafted to incorporate the recommendations of the FATF into the domestic legislation.
272. In all member states there is no specific criteria / threshold for selecting the offences of corruption for conducting investigation for the offence of money laundering. In case of India also there is no threshold / specific criteria for conducting AML Investigation for the proceeds of crime generated from the scheduled offence under PMLA. However, considering the nature of offence, there has been a well

thought of distinction or monetary threshold of INR ten million, only for offence under Section 132 (false declaration, false documents etc.) of Customs Act, 1962.

273. Civil Action is provided in the anti-money laundering legislations of all member countries. In case of Russia, Rosfinmonitoring has also developed and submitted a draft law to the Government of the Russian Federation which provides for an extrajudicial mechanism for suspending transactions if they are suspected of being related to money laundering.
274. Criminal Action is provided specifically under the anti-money laundering legislation in the case of Belarus and India. However, in case of Russia, China, Turkmenistan, Tajikistan, Kyrgyzstan, and Uzbekistan, criminal action is provided under the Criminal Code / Criminal Law of these member states.
275. The authorities investigating the offence of money laundering and offence of corruption are same in case of Belarus, Russia, China, Turkmenistan and Kyrgyzstan. These authorities are different in India and Uzbekistan, which have legislative provisions in place for effective coordination and sharing of information between different authorities.
276. The analysis of the statistics of the member countries in regard to cases recorded for offences of corruption and offence of money laundering for the period 2017 to 2022, inter-alia, reveal the following:

Name of the Country	Percentage share of the cases registered / recorded for offence of corruption	Percentage of the amount of PoC involved in cases for offence of corruption	Total Number of all cases recorded for the offence of ML (B)	Total number of cases recorded for offence of ML having corruption as scheduled offence (A)	Percentage of ML Cases having corruption as scheduled offence (A/B) %
Belarus	2.58%	-	-	-	-
Russia	1.59%	9.17%	5435	1035	19.04%
India	0.07%	-	3020	1172	38.80%
Turkmenistan	17.97%	74.52%	706	539	76.34%
Tajikistan	6.44%	-	-	-	-

277. This reflect that the share of corruption offences compared to all offences is more in case of Turkmenistan (17.97 %) and the amount of PoC involved in corruption cases is high for Turkmenistan (74.52 %). This trend also continues for the offence of money laundering where the percentage of ML cases having corruption as scheduled offence is high for Turkmenistan (76.34 %) followed by India (38.80 %) and Russia (19.04 %).
278. For all member countries the concept of PoC for the offence of corruption is largely the same i.e. any financial or property gain arising from or obtained directly or indirectly from corruption offences and related offences are to be counted as PoC. Some of the mechanisms to determine quantum of PoC from corruption and related crimes are by conducting audits of financial and economic activities of economic entities, accounting and analysis of income and expenditures of persons / legal entities or by conducting expert assessments.

279. Determination of PoC for the offence of money laundering – the scope for the same is very wider in case of India where it not only includes property derived or obtained, directly or indirectly, as a result of criminal activity relating to the schedule offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the schedule offence, which also includes the provision for property equivalent in value held within country or abroad. This is well evident from the case studies provided by India at Section 2.2 and 2.3 of this document. However, other member states like Belarus, Russia and China also, largely follow / have the same concept.
280. The mechanism / financial investigation employed to quantify PoC for the offence of money laundering includes utilising complete range of investigative actions, operative-investigative measures, cash monitoring, analysis of banking transactions, international legal assistance etc. For this, multiple sources and agencies (like National Banks, Customs, Revenue Authorities, Securities or Insurance Regulator etc.) are tapped to collect various documents (like Tax Return, Property Return, Registry of Legal Entities / beneficial ownership etc.), information and intelligence, as mentioned in Section 2.4 of this document.
281. The features of Anti-Corruption Legislations of the member state which deter corruption / integration of PoC includes placing obligation and restrictions on the part of public officials; declaration of income and property by public officials; monitoring the compliance of expenditures of the person holding public office, and the expenditures of their spouse and minor children; simplification of administrative procedures and reduction of their number; adoption of codes of ethics (standards of conduct) for civil servants / public officials; putting in places statutory bodies to keep oversight on any misconduct on the part of public official; and carrying out public awareness activities which contribute for creating an atmosphere of intolerance towards corruption. In one form or other, non-conviction based confiscation (for certain eventualities like death of accused, accused being declared proclaimed offender etc., as mentioned in Section 3.1) is provided under the anti-corruption legislations of the member states like Belarus, Russia, India and China; and the same is absent in case of Tajikistan and Uzbekistan.
282. Largely in all member states, there is no difference in investigation of money laundering (ML) case involving PEPs / public servant, as compared to other ML cases of corruption. Member states also have legislative provisions / procedural safeguards (like suspension from office, if PEP / Public Servant can obstruct the investigation or trial of offence of ML) in place for ensuring fair investigation (devoid of any influence) of money laundering (ML) case involving PEPs / public servant, however effectiveness depends upon their implementation in letter and spirit. Further, confidentiality and due diligence are the key for effective and time bound investigation in ML cases involving PEPs / public servant. Internal Supervision, Supervision by Vigilance Institution and a robust mechanism for fixing responsibility at all levels, ensure that the investigation is conducted in a free and fair manner.
283. The most common types of corruption offences in member states are bribery, embezzlement, abuse of power or official authority, furtively distributing state owned assets fraud, influence peddling etc. Largely 10 sectors for offence of corruption have been identified in member states, namely policy making, government welfare schemes (misuse / pilferage etc.), corruption by public servants / politically exposed persons, diversion of assets from private sector enterprises by the persons responsible in fiduciary capacity, natural resources (illegal exploitation / illegal mining / wrongful allotment etc.), government auction / tenders, banking, securities, insurance and real estate.
284. Largely, all member states have shared the typologies and case studies on laundering the PoC of corruption in multiple sectors for offence of corruption. These typologies and case studies in above enumerated 10 sectors for offence of corruption provides a deep and thorough insight and help to identify current trends and methods / activities that have been observed in corruption cases and subsequent money laundering of PoC. The same are provided under Section 5 of this document and will act as a depository of typologies for laundering proceeds of crime of corruption in multiple sectors. The sector wise vulnerabilities resulting in an increased risk of the laundering of the proceeds of corruption have also been identified. The same are provided under Section 6 of this document. The typologies and case studies for laundering of PoC of corruption in multiple sectors and sector wise vulnerabilities are not repeated here for the sake of brevity.

285. FIUs play a key role in countering money laundering and economic offences at the domestic and global level by collecting financial intelligence and sharing analysis with relevant organisations. FIUs generate reports like STRs, CTRs, CBWTRs etc. and keep a keen eye on the emerging trends and risks in financial landscape. Details of STRs generated by FIU and cases registered by LEAs based on STRs for the period 2020-2022 by member states (as available) are as follows :-

Number of STRs generated / disseminated by the FIU		Number of cases registered by LEAs on the basis of STRs generated by the FIU		Actionability Percentage of STRs	
Russia	Kyrgyzstan	Russia	Kyrgyzstan	Russia	Kyrgyzstan
15,318	126	9,265	16	60.48%	12.69%

This shows a very healthy percentage in case of Russia.

286. Analysis of AML Analytical Reports provided by FIU, Uzbekistan also reveal that percentage share of offence of corruption (38.76%) is highest amongst all other offences majorly detected by the Department for Combating Economic Crimes (DCEC).
287. In most of the member states like Russia, India and China, which are large economies, the most prevalent methods or common techniques / tools employed to launder the proceeds of corruption are – conducting non-cash transit operations using bank accounts opened under false documents or in the name of nominal owners; placement of illegally obtained cash in the accounts of individuals in organizations engaged in transactions with cash or other property; buying financial products; buying houses at low prices and selling them at high prices; using family members, close associates or legal entities to hold laundered PoC / assets on behalf of the ultimate beneficial owners and transacting through virtual currencies.
288. Overseas money laundering has become a very important tool for successful obliteration of money trail as well as unrestricted use of PoC. Enhanced and rapid sharing of information and mutual cooperation between member states is key to trace and attach PoC and to repatriate the same to its originating country. Ineffective communication can result in delay in exchanging crucial information related to money laundering cases. The money launders often take advantage of these delays and further conceal their illicit activities. Therefore, International cooperation shall also act as a deterrence.
289. Member countries either have channels of direct interaction with foreign member states of certain groups or have contact points for informal network of foreign agencies. They are also part of international groups / organization facilitating informal channels of communication. Dealy in successful execution of requests placed through formal channels of communication (like MLAT, LR etc.) is an area to be looked into, as countries especially non-members of EAG take significant time to execute the request, which in case of India and Russia range from 1 to 2 years.
290. To trace PoC, member countries collect information from foreign jurisdictions through both formal and informal channels like MLAT, Letter Rogatories, Interpol and informal channels like Asset Recovery Interagency Network - Asia Pacific (ARIN-AP), Egmont Group, Globe Network etc. (individual member countries employ different types of communication channels depending upon the nature of request or availability of international agreement with the requested foreign country). In case of India, a success story of tracing of proceeds of crime moved out of the country, with the help of CARIN has also been shared in Section 9.2 of this document.
291. For recovering of PoC / properties derived from PoC, new initiatives have been taken up by member countries like “Sky Net” operation launched by China since 2017 which has resulted in detection / recovery of 6,900 fugitives and PoC over RMB 32.786 billion. In case of Turkmenistan, a success story of confiscation and return of proceeds of crime (amounting to USD 1.3 million), which were moved out of the country has been shared in Section 8 of this document.

292. Limited resources, disrupted international cooperation and increased anonymity of virtual assets / digital currency has thrown up new challenges for prevention and detection of financial crime (including offences of corruption and money laundering) in the post COVID era coupled with increased prevalence of virtual assets / digital currencies, ranging from increase in corruption offences in the health sector, online frauds and cyber crimes; to increase in misuse of personal data (obtained through hacking etc.) to siphon money; to criminals exploiting financial infrastructure of countries with weak / absent national measures to launder PoC.

Section 12 : Suggestions / Recommendations

293. Following measures / steps may be taken for combating corruption and laundering of proceeds of crime:-
- (i) In member states where the agencies investigating the offences of corruption and money laundering are different, while investigating offence of corruption, efforts should be made to conduct parallel financial investigation to explore / investigate the offence of money laundering.
 - (ii) Enhanced customer due diligence for Politically Exposed Persons (PEPs).
 - (iii) Adoption of beneficial ownership registries can be promoted and may be made mandatory for companies and trusts to disclose their ultimate beneficial owners.
294. To curtail the laundering of proceeds of crime from corruption and to enhance the efficiency of money laundering investigation, a multi-faceted approach is required involving legal, regulatory and enforcement measures. To achieve these objectives, the following suggestions are made :-
- (i) Strengthen Anti-Money Laundering (AML) Laws and Regulations :
AML Laws should be made comprehensive, up-to-date and to cover all aspects of taking action against money laundering i.e. both civil (which includes non-conviction based confiscation) and criminal actions.
 - (ii) Promote International Cooperation :
Sending clear and concise requests; providing sufficient supporting information in the request itself; informal channels of communication should be explored more frequently and efficiently before submission of formal request to ensure that request placed through formal channels of communication gets timely and effectively executed; providing regular training and assistance to personnel / investigators who are involved in drafting and submitting requests; and development and implementation of electronic platform for the exchange of MLA requests.
 - (iii) Strengthen Investigative and Enforcement Capabilities :
Adequate resources, training, and technical assistance to law enforcement agencies and financial intelligence units responsible for investigating and combating money laundering should be provided so that their skill sets do not lag behind with the technological advancements in financial sector. Also, business establishments needs to be encouraged to implement robust internal controls, risk management systems, and employee training programs for better identification of money laundering risks / attempts.
 - (iv) Strengthen Asset Recovery :
Specialized units or agencies dedicated for the recovery of illicit assets may be established so that they have single point agenda / goal towards recovery of PoC / stolen assets.
 - (v) Digitalization and technological solutions :
The pandemic has accelerated digitalization across various sectors, including finance. This shift towards digital platforms and online transactions may provide an opportunity for the implementation of technological solutions to detect and prevent money laundering and corruption. Advanced data analytics, artificial intelligence, and machine learning algorithms can be employed to identify suspicious patterns and transactions more effectively.

Annexure 1**Terms of Criminal punishment and Legislation established for Corruption depending on the type of crime**

Legislation	Type of crime	Amount of fine and Imprisonment
Belarus		
Article 210 of the Criminal Code	Embezzlement by abuse of power	-
Article 235 of the Criminal Code	The commission of financial transactions with funds knowingly obtained by criminal means in order to give a legitimate appearance to the possession, use and/or disposal of said funds in order to conceal or distort the origin, location, placement, movement or actual ownership of said funds (when said crimes are committed by an official with the use of his/her official powers)	-
Article 424 of the Criminal Code	The intentional commission by an official out of self-interest or other personal interest with the use of his or her official powers, resulting in large-scale damage or substantial harm to the rights and lawful interests of citizens or to State or public interests	-
Article 425 of the Criminal Code	Wilful omission by an official, out of selfish or other personal interest, of acts which he or she was obliged to perform and might perform in view of his or her official duties, associated with connivance with a crime, or resulting in the failure to meet indicators whose achievement was a condition for State support, or infliction of major damage or substantial harm to the rights and legitimate interests of citizens or the State or the public interest	-
Article 426 of the Criminal Code	Wilful commission by an official of acts clearly exceeding the limits of the rights and powers conferred upon him or her in the discharge of his or her duties, resulting in major damage or substantial harm to the rights and legitimate interests of citizens or the interests of the State or the public	-

Article 429 of the Criminal Code	The establishment by an official in civil service of an organization engaged in entrepreneurial activities, or his participation in the management of such an organization, personally or through another person, contrary to the prohibition established by law, if the official, using his official powers, has granted such an organization benefits or advantages or protected it in another form	-
Article 430 of the Criminal Code	An official accepts material goods for himself or for his close associates or acquires benefits of a material nature provided solely in connection with his official position, for patronage or connivance in office, for favourable decisions on matters within his authority, or for the performance or non-performance for the bribe giver or persons represented by him of an act which the official must or could perform using his official authority	-
Article 431 of the Criminal Code	Giving a bribe	-
Article 432 of the Criminal Code	Direct bribery on the instructions of the bribe-giver or the bribe-taker	-
Article 455 of the Criminal Code	Abuse by a superior or official of power or official authority, omission of authority committed out of selfish or other personal interest, exceeding authority or official authority resulting in large-scale damage or considerable harm to the rights and legitimate interests of citizens or State or public interests	-
Russia		
Criminal Code of the Russian Federation	Unlawful Acts	-
Article 174, 174.1, 175, Part 3 of Article 210, and Article 210.1 of the Criminal Code of the Russian	Crimes related to the List No. 23 “Crime of Corruption” if there is a note in the statistical card of the main crime about its corrupt nature	1. Imprisonment :- Minimum – 4 years Maximum – 15 years

Federation		2. Fine :- Minimum – upto 100 thousand Roubles Maximum – 1 million Roubles
Article 294, 295, 296, 302, 307, 309 of the Criminal Code of the Russian Federation	Offences falling within the List No. 23 “Crime of Corruption” in accordance with the International Acts in the presence of a note in the statistical card of the predicate offence about its Corruption-related nature of the offence	1. Imprisonment :- Minimum – 12 years Maximum – 15 years 2. Fine :- Minimum – upto 200 thousand Roubles Maximum – 300 thousand Roubles
Subparagraphs "a" and "b" of Part 2 of Article 141, Part 2 of Article 142, par. 2, Article 170, 200.6, 201, 201.1, 201.2, 201.3, 202, Article 258.1, par. 2 and 2.1, Article 285, 285.1, 285.2, 285.3, Article 285.4, 285.5, 285.6, Article 286, Paras. 1 and 2 and Article 299, Parts 2 and 4, Article 303, Article 305 of the Criminal Code of the Russian Federation	Crimes related to the List No. 23 “Crime of Corruption” if there is a note in the statistical card about committing a crime with a mercenary motive	Fine :- Minimum – upto 40 thousand Roubles Maximum – 500 thousand Roubles
Article 200.4 of the Criminal Code of the Russian Federation	Crimes whose inclusion in the List No. 23 “Crime of Corruption” depends on the time (date) of the crime if there is a note in the statistical card about committing a crime with a mercenary motive	-
Subparagraph "c" Part 3 Article 226, Part 2 Article 228.2, item "c" Part 2 Article 229 of the Criminal Code of the Russian Federation	Crimes related to the List No. 23 “Crime of Corruption” in the presence of a note in the statistical card about the commission of a crime by an official, civil servant and municipal employee, as well as a person performing managerial functions in a commercial or other organization	Fine :- Minimum – upto 120 thousand Roubles Maximum – 500 thousand Roubles

Article 226.1 Part 3. and Article 229.1 Parts 3 and 4 of the Criminal Code of the Russian Federation	Crimes related to the List No. 23 “Crime of Corruption” if there is a note in the statistical card about committing a crime by an official using his/her official position	-
Article 183, Paras. 3 and 4; Article 228.1, Part 4, item "b"; Article 228.4, Part 2, item "b"; Article 256, Paras. 3; Article 258, Part 2. Part 2 of Article 258, Parts 3 and 3.1 of Article 258.1, item "c" of Part 2 and Part 3 of Article 260, Parts 1 and 3 of Article 303, Articles 322.1, 322.2 and 322.3 of the Criminal Code	Crimes which belong to the List No. 23 “Crime of Corruption” in the presence of a note in the statistical card about the commitment of a crime by an official, civil servant and municipal employee, as well as a person who performs managerial functions in a commercial or other organization, and with a mercenary motive	1. Imprisonment :- Minimum – upto 2 years Maximum – 10 years 2. Fine :- Minimum – 100 thousand Roubles Maximum – one million Roubles
Subparagraph "b" Part 3 Article 228.1 of the Criminal Code of the Russian Federation	Crimes which are included in the List No. 23 “Crime of Corruption” depend on the time (date) of committing a crime if there is a note in the statistical card about committing a crime by an official, civil servant and municipal employee, as well as by a person performing managerial functions in a commercial or other organization, and with a mercenary motive	Fine :- Minimum – upto 120 thousand Roubles Maximum – upto 500 thousand Roubles
Part 3, 4, 5, 6 and 7 of Article 159, Part 3 and 4 of Article 159.1, Part 3 and 4 of Article 159.2, Part 3 and 4 of Article 159.3, Part 3 and 4 of Article 159.4, Part 3 and 4 of Article 159.5, Part 3 and 4 of Article 159.6, Part 3 and 4 of Article 160, Part 3 and 4 of Article 229 of the Criminal Code	Crimes related to the List No. 23 “Crime of Corruption” in the presence of notes in the statistical card about the corrupt nature of the crime, the commission of a crime by an official, civil servant and municipal employee, as well as a person performing managerial functions in a commercial or other organization, using their official position	-
Article 207.3 Part 3, Article 228.1 Part 5 of the Criminal Code.	Crimes included in the List No. 23 “Crime of Corruption” if there is a note in the statistical card indicating that a crime was committed by an official,	Fine :- Minimum – upto 500 thousand Roubles

	civil servant or municipal employee, or a person who performs managerial functions in a commercial or other organisation, using his/her official position and with a mercenary motive	Maximum – one million Roubles
"a" and "d" part 2 article 207.3. of the Criminal Code	Crimes which are included in the List No. 23 “Crime of Corruption” if there is a note in the statistical card about the commitment of a crime by an official, civil servant and municipal employee, as well as by a person who performs managerial functions in a commercial or other organisation, on the condition of the simultaneous presence in the disposition of the qualifying elements "using his official position" and "self-serving motives"	-
Article 159, 159.1, 159.2, 159.3, Part 3 of Article 159.4, 159.5, 159.6 (except the cases specified in item 3.6), Articles 169, 178, 179 of the Criminal Code	Crimes which may contribute to the commission of corruption-related crimes, which are included in the List No. 23 “Crime of Corruption” if the statistical card contains information about the commission of a crime related to the preparation, including sham, of conditions for an official, civil servant and municipal employee, as well as a person performing managerial functions in a commercial or other organization, to receive a benefit in the form of money, valuables, other property or the illegal presentation of such a benefit	Fine :- Minimum – upto 120 thousand Roubles Maximum – one million Roubles
India		
Section 7 of Prevention of Corruption Act	Offence relating to public servant being bribed	Imprisonment :- Minimum – 3 years Maximum – 7 years
Section 7A of Prevention of Corruption Act	Taking undue advantage to influence public servant by corrupt or illegal means or by exercise of personal influence	Imprisonment :- Minimum – 3 years Maximum – 7 years
Section 8 of Prevention of Corruption Act	Offence relating to bribing of a public servant.	Imprisonment :- upto to seven years

Section 9 of Prevention of Corruption Act	Offence relating to bribing a public servant by a commercial organisation	Fine
Section 10 of Prevention of Corruption Act	Person in charge of commercial organisation to be guilty of offence.	Imprisonment :- Minimum – 3 years Maximum – 7 years
Section 11 of Prevention of Corruption Act	Public servant obtaining undue advantage, without consideration from person concerned in proceeding or business transacted by such public servant	Imprisonment :- Minimum – 6 months Maximum – 5 years
Section 12 of Prevention of Corruption Act	Punishment for abetment of offences	Imprisonment :- Minimum – 3 years Maximum – 7 years
Section 13 of Prevention of Corruption Act	Criminal misconduct by a public servant	Imprisonment :- Minimum – 4 years Maximum – 10 years
Section 14 of Prevention of Corruption Act	Punishment for habitual offender	Imprisonment :- Minimum – 5 years Maximum – 10 years
Section 15 of Prevention of Corruption Act	Punishment for attempt	Imprisonment :- Minimum – 5 years Maximum – 5 years
Section 409 of Indian Penal Code	Criminal breach of trust by a public servant	Imprisonment :- Maximum – Upto Life Imprisonment and Fine

China		
Criminal Law of the People's Republic of China: Chapter VIII	Corruption	-
Turkmenistan		
Criminal Code: Article 197	Corruption	Imprisonment :- Minimum – 12 years Maximum – 15 years
Criminal Code: Article 196	Abuse of office	1. Imprisonment :- NIL 2. Fine :- Minimum – 30 times of established basic unit Maximum – 200 times of established basic unit
Criminal Code: Article 203	Acceptance of a bribe	Imprisonment :- Minimum – 5 years Maximum – 20 years
From the Criminal Code: Article 204	Bribery	1. Imprisonment :- Minimum – 3 years Maximum – 10 years 2. Fine :- Minimum – 50 nominal financial unit Maximum – 150 times the nominal value of base unit
Criminal Code: Article 205	Mediation in bribery	1. Imprisonment :-

		<p>Minimum – 2 years Maximum – 10 years</p> <p>2. Fine :- Minimum – 50 specified basic units Maximum – 150 times the prescribed basic units</p>
Criminal Code: Article 206	Forgery in Office	<p>Fine :- Minimum – 30 nominal values Maximum – 70 nominal values</p>
Tajikistan		
Criminal Code: Article 245	Use of Official Authority : Appropriation or embezzlement	<p>1. Imprisonment :- Minimum – upto 2 years Maximum – 10 years</p> <p>2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage</p>
Criminal Code: Article 246	Embezzlement of funds given as credit	<p>1. Imprisonment :- Minimum – upto 2 years Maximum – 15 years</p> <p>2. Fine :- Minimum – 1000 times the monthly minimum wage Maximum – 2000 times the monthly</p>

		minimum wage
Criminal Code: Article 247	Fraud	<p>1. Imprisonment :- Maximum – upto 2 years</p> <p>2. Fine :- Minimum – 200 times the monthly minimum wage Maximum – 800 times the monthly minimum wage</p>
Criminal Code: Article 265	Illegal granting of credit	<p>1. Imprisonment :- Maximum – upto 3 years</p> <p>2. Fine :- Minimum – 1500 times the monthly minimum wage Maximum – 2000 times the monthly minimum wage</p>
Criminal Code: Article 268	Illegal use of money	<p>1. Imprisonment :- Maximum – upto 2 years Maximum – 5 Years</p> <p>2. Fine :- Minimum – 1000 times the monthly minimum wage Maximum – 2000 times the monthly minimum wage</p>
Criminal Code: Article 269	Unlawful acts in bankruptcy	<p>1. Imprisonment :- Maximum – 6 months</p>

		<p>2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage</p>
Criminal Code: Article 270	Insolvent bankruptcy	<p>1. Imprisonment :- Maximum – upto 3 years</p> <p>2. Fine :- Minimum – 800 times the monthly minimum wage Maximum – 1500 times the monthly minimum wage</p>
Criminal Code: Article 271	Fictitious bankruptcy	<p>1. Imprisonment :- Maximum – upto 3 years</p> <p>2. Fine :- Minimum – 1000 times the monthly minimum wage Maximum – 2000 times the monthly minimum wage</p>
Criminal Code: Article 273	Monopolistic acts and restricted competition	<p>1. Imprisonment :- Minimum – upto 2 years Maximum – 7 years</p> <p>2. Fine :- Minimum – 1000 times the monthly minimum wage Maximum – 2000 times the monthly minimum wage</p>

Criminal Code: Article 274	Persistent violation of procedure for evaluation of public tenders or tenders or auctions	<p>1. Imprisonment :- Maximum – upto 2 years</p> <p>2. Fine :- Minimum – 700 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage</p>
Criminal Code: Article 278	Disclosure of commercial or banking secrets	<p>1. Imprisonment :- Maximum – upto 3 years</p> <p>2. Fine :- Minimum – 300 times the monthly minimum wage Maximum – 500 times the monthly minimum wage</p>
Criminal Code: Article 279	Commercial bribery	<p>1. Imprisonment :- Minimum – upto 2 years Maximum – 5 years</p> <p>2. Fine :- Minimum – 300 times the monthly minimum wage Maximum – 2000 times the monthly minimum wage</p>
Criminal Code: Article 280	Bribery of participants and organisers of professional sports competitions and spectacular commercial contests	<p>Imprisonment :- Maximum – upto 3 years</p>

Criminal Code: Article 287	Failure to return funds in foreign currency from abroad	<p>1. Imprisonment :- Maximum – upto 3 years</p> <p>2. Fine :- Minimum – 1500 times the monthly minimum wage Maximum – 2000 times the monthly minimum wage</p>
Criminal Code: Article 289	Smuggling	<p>Imprisonment :- Minimum – 5 years Maximum – 20 years</p>
Criminal Code: Article 318	Illegal participation in entrepreneurial activity	<p>1. Imprisonment :- Maximum – upto 2 years</p> <p>2. Fine :- Maximum – upto 500 times the monthly minimum wage</p>
Criminal Code: Article 319	Bribe-giving	<p>Imprisonment :- Minimum – upto 5 years Maximum – 12 years</p>
Criminal Code: Article 320	Bribe-giving	<p>Imprisonment :- Minimum – 5 years Maximum – 15 years</p>
Criminal Code: Article 321	Provocation of a bribe	<p>Imprisonment:- Minimum – 5 years</p>

		Maximum – 10 years
Criminal Code: Article 323	Forgery in office	1. Imprisonment:- Maximum – upto 2 years 2. Fine :- Maximum – upto 500 times the monthly minimum wage
Criminal Code: Article 323(1)	Illegal issuance of a passport of a citizen of the Republic of Tajikistan, as well as knowingly giving false information in the documents which are the basis for acquisition of nationality of the Republic of Tajikistan	-
Criminal Code: Article 324	Obtaining remuneration through extortion	1. Imprisonment :- Minimum – upto 2 years Maximum – 5 years 2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage
Criminal Code: Article 325	Bribery of an official	1. Imprisonment :- Maximum – upto 3 years 2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 800 times the monthly minimum wage
Criminal Code: Article 326	Illegal issuance of permits for carrying and keeping firearms	Imprisonment :-

		Minimum – 2 years Maximum – 5 years
Criminal Code: Article 327	Unlawful maintenance of personal protection (bodyguards) and use of military equipment for these purposes	Imprisonment :- Minimum – 2 years Maximum – 5 years
Criminal Code: Article 338(1)	Unlawful allocation of land	-
Criminal Code: Article 340(1)	Production, sale of counterfeit excise duty stamps, special stamps or conformity marks or their use	-
Criminal Code: Article 345	Obstruction of justice, enquiry and preliminary investigation	1. Imprisonment :- Minimum – upto 2 years Maximum – 5 years 2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage
Criminal Code: Article 257	Committed by the Head of an Enterprise, Institution or Other Organisation, Irrespective of its Form of Ownership : Embezzlement of funds of foreign assistance funds	1. Imprisonment :- Minimum – upto 2 years. Maximum – 12 years 2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage
Criminal Code: Article 258	Obstruction of lawful entrepreneurial activity	1. Imprisonment :-

		<p>Minimum – 2 years. Maximum – 5 years</p> <p>2. Fine :- Minimum – 200 times the monthly minimum wage Maximum – 500 times the monthly minimum wage</p>
Criminal Code: Article 259	Unlawful entrepreneurial activity	<p>1. Imprisonment :- Minimum – upto 3 years Maximum – 5 years</p> <p>2. Fine :- Minimum – 300 times the monthly minimum wage Maximum – 800 times the monthly minimum wage</p>
Criminal Code: Article 259(1)	Production, acquisition, storage, transportation or sale of unmarked goods and products	-
Criminal Code: Article 260	Illegal establishment (creation, reorganisation) of a legal entity	<p>1. Imprisonment :- Maximum – upto 2 years</p> <p>2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage</p>
Criminal Code: Article 260(1)	Illegal use of documents to form (create, reorganise) a legal entity	-

Criminal Code: Article 261	Registration of illegal transactions with land	1. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage
Criminal Code: Article 262	Legalisation (laundering) of proceeds of crime	1. Imprisonment :- Minimum – upto 4 years Maximum – 10 years 2. Fine :- Minimum – 500 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage
Criminal Code: Article 264	Unlawful obtaining of credit	1. Imprisonment :- Minimum – 2 years Maximum – 5 years 2. Fine :- Minimum – 700 times the monthly minimum wage Maximum – 1000 times the monthly minimum wage
Criminal Code: Article 348	Acts have a Corruptive Nature : Involving a person known to be innocent in criminal proceedings	Imprisonment :- Minimum – 3 years Maximum – 5 years

Criminal Code: Article 349	Issuance of knowingly unlawful sentence, decision or other judicial acts	1. Imprisonment :- Minimum – 3 years Maximum – 5 years 2. Fine :- Minimum – 1000 times the monthly minimum wage Maximum – 1500 times the monthly minimum wage
Criminal Code: Article 359	Falsification of evidence	Imprisonment :- Minimum – upto 3 years Maximum – 8 years
Criminal Code: Article 360	Unlawful exemption from criminal liability	Imprisonment :- Maximum – upto 5 years
Criminal Code: Article 363	Failure to enforce a court sentence, court decision or other judicial act	Fine :- Minimum – 200 times the monthly minimum wage Maximum – 500 times the monthly minimum wage
Criminal Code: Article 391	Abuse of power or official position, exceeding official or official authority or omission to act	Imprisonment :- Minimum – 5 years Maximum – 15 years
Kyrgyzstan		
Article 336 of Chapter 42 of Criminal Code of the Kyrgyz Republic	Corruption - deliberate acts consisting in the creation of an unlawful stable connection of one or more officials with power with individuals or groups for the purpose of illegally obtaining material or any other benefits and advantages, as well as their provision of these benefits and advantages to individuals and legal entities, creating a threat to the interests of society	Imprisonment :- Minimum – 10 years with confiscation Maximum – 12 years with confiscation

	<p>or the state - shall be punishable by imprisonment for a term of ten to twelve years with confiscation of property, with deprivation of the right to hold certain positions or engage in certain activities for up to three years.</p> <p>shall be punished by imprisonment for a term of ten to twelve years with confiscation of property, with deprivation of the right to hold certain positions or engage in certain activities for up to three years.</p>	
	Corruption, committed in the interests of an organized group, criminal association, or which has entailed grave harm	<p>Imprisonment :-</p> <p>Minimum – 12 years with confiscation</p> <p>Maximum – 15 years with confiscation</p>
Uzbekistan		
Article 167, paragraph 2 (d), of the Criminal Code	Embezzlement by appropriation or misappropriation	<p>1. Imprisonment :-</p> <p>Minimum – upto 5 years</p> <p>Maximum – 10 years</p> <p>2. Fine :-</p> <p>Minimum – 100 basic calculation value</p> <p>Maximum – 600 basic calculation value</p>
Article 168, paragraph 3 (c) of the Criminal Code	Fraud	<p>1. Imprisonment :-</p> <p>Minimum – 5 years</p> <p>Maximum – 10 years</p> <p>2. Fine :-</p> <p>Minimum – 300 basic calculation units</p> <p>Maximum – 600 basic calculation units</p>
Article 192⁹ of the Penal Code	Bribery by an official of a non-State commercial or other non-State organization of material valuables or a pecuniary benefit	<p>1. Imprisonment :-</p> <p>Minimum – upto 3 years</p> <p>Maximum – 8 years</p>

		2. Fine :- Minimum – 50 basic calculation units Maximum – 600 basic calculation value
Article 192¹⁰ of the Penal Code	Bribery of an employee of a non-State commercial or other non-State organization of material valuables or property benefits	Fine :- Minimum – 20 basic calculation value Maximum – 30 basic calculation value
Article 205 of the Penal Code	Abuse of power or official authority	1. Imprisonment :- Minimum – upto 3 years Maximum – 5 years 2. Fine :- Minimum – 150 basic calculation value Maximum – 600 basic calculation value
Article 209 of the Criminal Code	Forgery by an official or Forgery on duty	1. Imprisonment :- Minimum – upto 3 years Maximum – 5 years 2. Fine :- Minimum – 100 basic calculation value Maximum – 600 basic calculation value
Article 210 of the Criminal Code	Bribe taking	1. Imprisonment :- Minimum – upto 5 years Maximum – 15 years 2. Fine :- Minimum – 50 minimum basic calculation units

		Maximum – 100 minimum basic calculation units
Article 211 of the Criminal Code	Bribe-giving	<p>1. Imprisonment :- Minimum – upto 5 years Maximum – 15 years</p> <p>2. Fine :- Minimum – 50 minimum basic calculation units Maximum – 100 minimum basic calculation units</p>
Article 212 of the Criminal Code	Mediation in Bribery	<p>1. Imprisonment :- Minimum – upto 5 years Maximum – 15 years</p> <p>2. Fine :- Minimum – 50 minimum basic calculation units Maximum – 100 minimum basic calculation units</p>
Article 213 of the Penal Code	Bribing an official of a state agency, organisation with state participation or a citizens' self-governing body	<p>1. Imprisonment :- Minimum – upto 3 years Maximum – 8 years</p> <p>2. Fine :- Minimum – 50 basic calculation value Maximum – 100 minimum basic calculation units</p>
Article 214 of the Criminal Code	Unlawful appropriation of material values or pecuniary gain by an	1. Imprisonment :-

	employee of a state agency, state-owned organization or citizens' self-governing body	<p>Minimum – upto 3 years Maximum – 8 years</p> <p>2. Fine :- Minimum – 50 basic calculation value Maximum – 100 minimum basic calculation units</p>
Article 243 of the Criminal Code	Legalization of proceeds of crime	<p>Imprisonment :- Minimum – 5 years Maximum – 10 years</p>
Article 301 of the Criminal Code	Abuse of authority, excess or omission of authority (Military officials)	<p>Term of imprisonment: -. Minimum - up to 5 years Maximum - 20 years</p>

Annexure 2**Types of Corruption Offences and Sectors in which Corruption offences identified**

Name of the Country	Types of Corruption Offences	Sectors in which Corruption offences identified
Belarus	<p>1. Embezzlement By Abuse of Authority -</p> <p>Theft of the organization's products, including by giving instructions to subordinate employees;</p> <p>Embezzlement of funds by using access to the settlement accounts of the organization;</p> <p>The purchase of property for personal purposes at the expense of the company's funds;</p> <p>Misappropriation of funds by giving instructions to make unreasonable payments (bonuses, allowances, etc.), including to affiliated persons;</p> <p>Embezzlement of funds of an enterprise by transferring them to the accounts of other organizations and entrepreneurs for supposedly delivered goods (rendered services), which are subsequently cashed out and distributed among the persons involved;</p> <p>Theft of inventory items from the organization as a result of their unlawful writing off.</p> <p>2. Money Laundering -</p> <p>The performance of financial transactions between affiliated organizations with inventory and monetary funds obtained by fraudulent means with the purpose of legalization of proceeds of crime;</p> <p>Introducing stolen property into the economic turnover of the organization by drawing up fictitious documents for the purchase of goods;</p> <p>Funds obtained as a result of tax evasion were transferred from the accounts of a foreign firm under control to Belarusian business entities, including for the purchase of real estate and automobiles.</p> <p>3. Abuse of Power or Official Authority</p>	<ul style="list-style-type: none"> ➤ Trade; ➤ Agriculture; ➤ Construction; ➤ Processing, disposal and dumping of non-hazardous waste; ➤ Activities of executive and administrative bodies; ➤ Medicine, veterinary activities; ➤ Leasing own and rented real estate; ➤ Forestry, logging, wood processing; ➤ Manufacturing industry; ➤ Industrial production; ➤ Education; ➤ Defense; ➤ Public service; ➤ Banking sector; ➤ Transportation; ➤ Communications.

	<p>Submitting instructions to a subordinate employee to commit forgery for personal benefit; Giving instructions to subordinate employees to carry out office forgery; For unjustified receipt of property payments (bonuses); Purchase of goods for the company through knowingly intermediary agencies; Purchase of goods through knowingly intermediary structures (with information about official sales representatives) at overstated prices; The use of the labor of subordinate employees during working hours for personal gain; Making illegal deductions from the salaries of employees; Giving instructions to draw up fictitious documents in order for the organization to receive unjustified payments from the budget; Intentional damage (destruction) of the enterprise's property for personal purposes; Unreasonable use of the state support in the form of budget refunds of loans, exemption from taxes; unreasonable write-off of property; Groundless payment of bonuses to both the executive officer and other employees of the enterprise; Sale of commodities and materials to controlled entities at an underestimated cost.</p> <p>4. Excess of Power or Official Authority</p> <p>Sale of commodities and materials at prices below the established ones; Giving knowingly illegal instructions to subordinates; Violence against subordinates.</p> <p>5. Bribes</p> <p>For priority payment of debts; For selection as a supplier of commodities and goods;</p>	
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Russia	<p>In 2022, 35,340 crimes of corruption were registered;</p> <p>The internal affairs agencies detected 26,164 crimes, the investigative bodies of the Investigative Committee of the Russian Federation detected 1,571, the federal security agencies detected 4,582, the customs agencies detected 18, the bodies and institutions of the penal system detected 506 and the bodies of the federal bailiff service detected 28;</p> <p>Corruption offences make up 1.59 per cent of all crimes recorded in the country. 18,194 persons were brought to criminal responsibility for committing these crimes;</p> <p>Crimes committed by organized groups or criminal associations were registered in 2,656 cases; acts committed on a large or especially large scale or causing large or especially large damages in 7,442 cases;</p> <p>In addition, in recent years, law enforcement agencies have focused their efforts on uncovering the most serious manifestation of corruption: bribery (2022 - 19,490). In 2022, 7,353 cases of bribery under 10,000 rubles were registered. They accounted for 20.8% of all corruption-related crimes. Also, among the most common crimes of corruption are abuse of power and exceeding official authority;</p> <p>Other types of crimes include: fraud; misappropriation or embezzlement; forgery; commercial bribery; abuse in the procurement of goods, works and services for state or municipal needs; violation of campaign</p>	<p>In 2022, the Investigative Committee of the Russian Federation prosecuted persons in the sectors namely - fuel and energy sector, budgetary sphere, health care and social sphere, housing and utilities sector, construction, and natural resource protection sphere.</p> <p>Corruption crimes have been uncovered in the allocation of budget funds in the areas of landscaping, agriculture, supply of inventories for the needs of public institutions, social support, as well as abuses in the areas of forest management, telecommunications services, energy, transport, education, public procurement and certification.</p>

	financing procedures; illegal receipt and disclosure of commercial, banking or tax secrets; illegal influence on the result of an official sports competition or a spectacular commercial contest, "positions for a fee".	
India	<p>In India, the most common types of corruption offences identified are :-</p> <ul style="list-style-type: none"> (i) Bribery; (ii) Embezzlement; (iii) Extortion; (iv) Fraud; (v) Abuse of power; (vi) Receipt of kickbacks and (vii) Influence peddling. 	<ul style="list-style-type: none"> ➤ Policy making, ➤ Government welfare schemes (misuse / pilferage etc.), ➤ Corruption by public servants / politically exposed persons, ➤ Diversion of assets from private sector enterprises by the persons responsible in fiduciary capacity, ➤ Natural resources (illegal exploitation / illegal mining / wrongful allotment etc.), ➤ Government auction / tenders, ➤ Banking, ➤ Securities, ➤ Insurance and ➤ Real estate
China	<p>The specific names of corruption offences are stipulated in the chapter 8 of part 2 of the Criminal Law of the People's Republic of China, including the crime of -</p> <p>Graft;</p> <p>Embezzlement;</p> <p>Bribery;</p>	

	<p>Acceptance of bribes by an entity;</p> <p>Accepting bribery by taking advantage of influence;</p> <p>Offering bribes;</p> <p>Offering bribes to anyone with influence;</p> <p>Offering bribes to an entity;</p> <p>Introducing another person to committing bribery;</p> <p>Offering bribes by an entity;</p> <p>Holding a huge amount of property with unidentified sources;</p> <p>Concealing deposits abroad and Furtively distributing state owned assets and crime of furtively distributing state owned assets.</p>	
Kyrgyzstan	<p>Articles of the Criminal Code –</p> <ul style="list-style-type: none"> • Article 339. Conclusion of a knowingly unfavorable contract; • Article 338. Excess of power; • Article 342. Receipt of a bribe; • Article 343. Extortion of a bribe; • Article 344. Mediation in bribery; • Article 345. Bribery; • Article 346. Official forgery; • Article 347. Illegal issuance of passport. 	<ul style="list-style-type: none"> ➤ Education, ➤ Medicine, ➤ Judicial system, ➤ Issuance of permits.
