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EVALUATING INTERNATIONAL COOPERATION THROUGH TREATIES IN THE MANAGEMENT OF ECONOMIC CRIME

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ABSTRACT:

This study addresses the fact that economic crimes - such as corruption, money laundering, foreign bribery, tax evasion and illicit financial transfers - are increasingly transnational in nature, exploiting weaknesses in national legal frameworks, banking secrecy and differing levels of enforcement capacity. No single state, whatever its resources, can successfully address these crimes on its own. This research examines the vital link between binding global treaties and the international fight against economic crime, and shows how multilateral legal frameworks have transformed a fragmented and largely inefficient system into the most robust law enforcement structure the world has ever seen.

The review focuses on five basic frameworks: UN Convention against Corruption (UNCAC, 2003), UN Convention against Transnational Organised Crime (UNTOC, Palermo, 2000), OECD Anti-Bribery Convention (1997), FATF 40 recommendations, and OECD and G20 Automatic Exchange of Information Systems (CRS and FATCA). Together, these instruments achieve what unilateral efforts cannot: the criminalisation and standardisation of offences, mutual legal assistance and extradition, enforceable methods of recovery and confiscation, prudential transparency requirements, and strict peer review monitoring, with reputational and financial sanctions for violations. Empirical data show important results: more than $20 billion in sanctions alone under the OECD Convention, over $10 billion in recovered stolen assets through the UNCAC (Abacha, 1MDB, Uzbekistan, Ukraine, etc.).) and the effective abolition of traditional banking secrecy in Switzerland, Singapore and the Caribbean, as well as the emergence of important multi-stakeholder solutions such as the Lava Jato and Odebrecht resolutions (3.5 billion and Airbus (3.6 billion) India plays a pivotal role in these mechanisms—not merely as a participant but as an active implementer, contributor to regional bodies, and advocate for stronger enforcement. This study examines India's engagement with key treaties, its domestic adaptations, contributions to global standards, and ongoing challenges, drawing on recent evaluations like the 2024 FATF Mutual Evaluation Report (MER).

Keywords: OECD, Economic Crime, Treaty, Illegal Transfer, Legal Framework

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NATURE AND CROSS-BORDER CHARACTER OF ECONOMIC CRIME

Economic crime is defined as non-violent criminal activities committed for financial gain which cause serious economic damage. The main categories are corruption (bribes, embezzlement, abuse of office), money laundering, financing of terrorism, widespread fraud, tax evasion, illicit financial flows and market manipulation. These crimes are inherently transnational Proceeds are generated in one country, laundered through shell companies in another, deposited in bank accounts in a third, and finally invested in real estate or luxury goods in a fourth or fifth. Using this illegal fund, the Criminals intentionally take advantage of regulatory arbitrage (differences in laws, enforcement capacity, and banking secrecy). However The global financial system (SWIFT, correspondent banking, offshore financial centres) allows funds to be moved instantly. As a result, no single country not even the US or the EU can fight these crimes with unilateral force. This structural reality is a major reason why international agreements are necessary.

WHY ECONOMIC CRIME REQUIRES INTERNATIONAL COOPERATION

Because the activities involved such as money laundering, corruption, tax evasion, fraud, and illicit financial flows typically cross national borders and exploit weaknesses in global financial systems. Criminals can move funds through multiple jurisdictions within seconds, hide assets in offshore havens, and take advantage of differences in national laws, regulatory standards, and enforcement capacities. No single country has the resources, legal reach, or information necessary to investigate and prosecute these crimes on its own. Effective control of economic crime therefore depends on coordinated action among states through information sharing, harmonized legislation, joint investigations, and mechanisms such as extradition and mutual legal assistance. By working together, countries can close regulatory gaps, prevent safe havens for illicit funds, and build a unified front against increasingly sophisticated transnational criminal networks.

ECONOMIC OFFENCES BEFORE THE ERA OF INTERNATIONAL TREATIES

Before major international agreements were in place (before 2005–2010), India dealt with economic crimes like corruption, big fraud, money laundering, and tax evasion mostly through its own laws. The response was slow, not very effective, and couldn't stop people from hiding money overseas. The laws used were old, such as the Prevention of Corruption Act from 1988, the Indian Penal Code, the strict Foreign Exchange Regulation Act (FERA) from 1973, and the mostly unused Benami Transactions Act from 1988. These laws didn't make money laundering a separate crime, didn't cover bribery abroad, and didn't hold companies responsible. There was no Financial Intelligence Unit, no clear rules about who really owns money, no way to take away money without a conviction, and few working legal help agreements with other countries. Major cases like the Bofors kickbacks in the 1980s, Harshad Mehta's fraud in 1992, hawala scandals between 1991 and 1996, and the Bihar fodder scam showed how weak the system was. Once money was hidden in places like Switzerland, Liechtenstein, Mauritius, or Dubai, or when criminals fled, India had almost no way to track, stop, or get the money back. Extradition rarely worked, court cases could take years, and foreign banks kept secrets. In short, before the UN Convention Against Corruption, the UN Convention against Transnational Organized Crime, FATF standards, and the Common Reporting Standard gave India tools to deal with crimes across borders, economic offenders who moved money or themselves out of the country were basically untouchable by Indian law.

THE ROLE OF INTERNATIONAL TREATIES IN CLOSING THE GAPS OF JURISDICTION

Before the 1990s, international cooperation relied almost entirely on political goodwill or ad hoc bilateral agreements. Modern agreements have turned cooperation[3] from discretionary to mandatory, they create direct legal obligations (criminalisation, confiscation, mutual legal assistance) to be respected by national courts. They introduce so-called treaty offences, which automatically meet the dual criminality requirements for extradition and legislative review. They allow States to execute foreign freezing and confiscation orders without having to re-examine the whole case (for example, UNCAC Article 4[4]). They impose monitoring and review mechanisms that generate reputational and economic costs for non-

[3] Official Portal of the UNODC, Thematic compilation of prevention-related information. Available at: https://www.unodc.org/corruption/en/cosp/WGP/thematic-compilation-prevention.html
[4] Official Portal of the UNODC, Thematic compilation of prevention-related information. Available at: https://www.unodc.org/corruption/en/cosp/WGP/thematic-compilation-prevention.html

compliance (OECD, FATF).Treaties have turned a fragmented, sovereignty-crippled system into a functioning global enforcement architecture

UNITED NATIONS CONVENTION AGAINST CORRUPTION (UNCAC)

The sole legally enforceable global anti-corruption tool is the (UNCAC), which was established in 2003 and has been in effect since 2005 with 190 States Parties. In historic cases like the Abacha loot (Nigeria)[5], 1MDB[6] (Malaysia Development Berhad), Karimova funds (Uzbekistan), and Yanukovych assets (Ukraine), its ground-breaking Chapter V[7] (Articles 51–59) has enabled the freezing or return of over US$10 billion, making it the only multilateral framework in the world for the direct recovery and repatriation of stolen public assets.

In addition to enforcing preventive measures including transparent public procurement, beneficial-ownership declaration, and politically exposed individuals (PEI) due diligence, UNCAC mandates the criminalization of both domestic and overseas bribery, illicit enrichment, and the laundering of corruption proceeds.

Distinguishes between direct recovery, non-conviction based confiscation and international cooperation in the area of confiscation: real impact (UNCAC-assisted recoveries selected), in Malaysia got $2.5 billion in assets confiscated or returned from the United States, Switzerland, Singapore and Luxembourg.

Real impact (selected recoveries facilitated by UNCAC) is reflected in Nigeria - Abacha family, whereby $2.4 billion recovered from Switzerland, Liechtenstein, Jersey, the United Kingdom and the United States of America.

FATF 40 RECOMMENDATIONS

The Financial Action Task Force (FATF) 40 Recommendations[8], though not a treaty, have become the globally recognized anti-money laundering and counter-terrorist financing

[5] Official Portal of THE WORLD BANK GROUP, World Bank Monitoring of Repatriated Abacha Funds. Available t: https://www.worldbank.org/en/news/factsheet/2017/12/04/world-bank-monitoring-of-repatriated-abacha-funds

[6] 1MDB scandal: Ex-Goldman Malaysia boss found guilty. Available at: https://www.bbc.com/news/business-61043609 .

[7] Official Portal of the UNODC, Asset recovery. Available at: https://www.unodc.org/corruption/en/learn/what-is-uncac/asset-recovery.html

[8] FATF Recommendation 39 and Immediate Outcome 2. Available at: https://www.fatf-gafi.org/content/dam/fatf-gafi/recommendations/FATF%20Recommendations%202012.pdf

(AML/CFT) standard adopted by over 200 jurisdictions. Through mutual evaluations and the economic leverage of grey/black-listing, they have driven the establishment of financial intelligence units, customer due diligence systems, beneficial ownership transparency, and virtual asset regulation worldwide. Even former secrecy jurisdictions such as Panama, the Bahamas, and Turkey have implemented significant reforms. Additionally, the U.S.-initiated Foreign Account Tax Compliance Act (FATCA, 2010) and the OECD/G20 Common Reporting Standard (CRS, 2014), now adopted by over 120 jurisdictions, have ended traditional banking secrecy by requiring mandatory automatic annual exchange of financial account information. In result the Countries like Switzerland, Singapore, Luxembourg, the Cayman Islands, and Liechtenstein have all eliminated anonymous accounts and introduced accessible beneficial ownership registers, making offshore tax evasion and corruption concealment significantly more difficult and costly than ever before. Together, these five instruments form an interlinked, mutually reinforcing global framework that has substantially reduced the operational space for transnational economic crime.

UN CONVENTION AGAINST TRANSNATIONAL ORGANISED CRIME (UNTOC)

The 2000 United Nations Convention against Transnational Organized Crime (UNTOC, often known as the Palermo Convention[9]), which has 193 parties, is the fundamental international agreement against money laundering and organized crime that supports UNCAC. It is the legal foundation of almost all significant international money-laundering investigations because it necessitates the broad criminalization of money laundering (using a "all-crimes" predicate offense approach), the confiscation of criminal proceeds, and extensive cross-border cooperation, including special investigative techniques like controlled deliveries and undercover operations.

The main Convention itself contains key provisions[10] on money laundering: article 6 deals with criminalisation of money laundering. Art. 7 deals with Requests comprehensive national anti-money laundering regimes. The Art. 12-14 deals with Seizures, confiscations and

[9] UNITED NATIONS CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME AND THE PROTOCOLS THERETO. Available at: https://www.unodc.org/documents/middleeastandnorthafrica/organised-crime/UNITED_NATIONS_CONVENTION_AGAINST_TRANSNATIONAL_ORGANIZED_CRIME_AND_THE_PROTOCOLS_THERETO.pdf

[10] UNITED NATIONS CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME AND THE PROTOCOLS THERETO. Available at: https://www.unodc.org/documents/middleeastandnorthafrica/organised-crime/UNITED_NATIONS_CONVENTION_AGAINST_TRANSNATIONAL_ORGANIZED_CRIME_AND_THE_PROTOCOLS_THERETO.pdf

international cooperation in the identification and freezing of criminal assets. Art. 18 provides Mutual legal assistance (longest article in any UN Treaty, 30 paragraphs), which has provided the legal basis for a global follow-up approach. This is why prosecutors can use controlled delivery, undercover operations and electronic surveillance for organised crime and corruption cases in cross-border cases.

OECD CONVENTION (ANTI-BRIBERY CONVENTION)

The 1997 OECD Anti-Bribery Convention, which binds 44 major economies that produce three-quarters of the world's exports, is unique in that it makes the supply side of foreign bribery in international business illegal. Its provisions are enforced through the strictest peer-review system currently in place (Phase 4 monitoring[11]). In addition to causing legislative revolutions in nations like France, the UK, Brazil, Sweden, and Switzerland, it has directly led to over US$20 billion in corporate sanctions and established the international standard that multinational corporations can no longer bribe foreign officials without consequence. The convention has created a de facto global norm that multinational companies cannot pay bribes abroad without risking prosecution in their home country

The OECD Working Group on Bribery, which consists of 44 nations sitting in judgment of one another, is in charge of an unrelenting, public, and invasive peer-review system that monitors the OECD Convention, unlike nearly every other international treaty. With Phase 1 tested legislation in place, the four-phase monitoring cycle has developed into what is widely recognized as the strictest compliance mechanism in global governance. Early enforcement was examined in Phase 2. Phase 3 required improvements in whistleblower protection and detection. Phase 4 (2016–present) calls for "dissuasive" sanctions and extensive, methodical enforcement. Failing nations must submit follow-up reports every year or every two years until they produce significant cases.

The OECD Anti-Bribery Convention has been instrumental in the enforcement of numerous high-profile cases of foreign bribery, resulting in billions of dollars in fines and systemic reforms. Below is a curated list of key landmark cases, focusing on cases involving large multinational companies..

[11] Official Portal of the OECD. Working Group on Bribery. Available at: https://www.oecd.org/en/about/committees/working-group-on-bribery.html

1. Siemens AG (Germany) Siemens, a global engineering giant, conducted a global bribery scheme[12] from the late 1990s to mid-2000s, bribing more than €1.4 billion in over 100 countries in sectors such as telecommunications and power generation, with systemic failures in internal controls such as cash payments transported in suitcases and falsified records. Siemens settled the case in 2008 with a US$1.6 billion payment to U.S. authorities (DOJ and SEC) and other penalties in Germany, making it the largest corporate bribery resolution at the time, which led to the overhauling of corporate liability laws in Germany and the implementation of a robust compliance program by Siemens, including independent monitoring from 2009–2012

2. Odebrecht S.A. / Braskem S.A. (Brazil) In 2014–2016, the largest foreign bribery scheme[13] ever uncovered (Brazilian construction conglomerate Odebrecht) involved bribing about US$788 million to officials in 12 countries in Latin America and Africa to secure infrastructure contracts, implicating presidents and ministers (linked to Brazil's Operation Lava Jato), with Odebrecht and its petrochemical subsidiary Braskem agreeing in 2016 to a record US$3.5 billion global settlement with authorities in Brazil, the U.S., and Switzerland—the highest penalty ever for foreign bribery under the Convention, leading to criminal convictions of executives, asset forfeitures, and Brazil's enactment of the Clean Company Act in 2013 to strengthen corporate responsibility (oecd.org).

3. Airbus SE (France/Germany/UK) The largest European aerospace company, Airbus, funneled hundreds of millions in bribes[14] through third-party agents between 2011 and 2015 to win plane sales and defense contracts in more than 20 countries in Asia, Africa, and the Middle East using forged invoices for consultancy services, and entered a deferred prosecution agreement (DPA) in 2020 that included paying penalties of €3.6 billion (approximately US$4 billion) to authorities in France, the UK, and the U.S. (the largest DPA ever for an aerospace firm) and agreeing to thousands of third-party audits and three years of independent monitoring to show the pressure for cross-border enforcement from the Convention.

[12] Official Portal of the USDOJ. Siemens AG and Three Subsidiaries Plead Guilty to Foreign Corrupt Practices Act Violations. available at: https://www.justice.gov/archive/opa/pr/2008/December/08-crm-1105.html
[13] Official Portal of the UNCA. The impact of the Odebrecht corruption case. Available at: https://uncaccoalition.org/14th-regional-meeting-for-latin-america-and-the-caribbean-the-impact-of-the-odebrecht-corruption-case/
[14] Official Portal of the UNDOJ. Airbus Agrees to Pay over $3.9 Billion. Available at: https://www.justice.gov/archives/opa/pr/airbus-agrees-pay-over-39-billion-global-penalties-resolve-foreign-bribery-and-itar-case

4. Glencore plc (Switzerland/UK) Glencore, a Swiss multinational commodity trading and mining firm, bribed[15] officials in Nigeria, Cameroon, and the Democratic Republic of Congo from 2007–2018 to obtain permits for oil transport and mining, making corrupt payments in excess of US$100 million. The case highlighted risks in lucrative commodity sectors. Glencore pleaded guilty and paid over US$1.5 billion in penalties in the U.S., UK, Switzerland, Brazil, and the Netherlands in 2022 (the first major corporate bribery resolution in Switzerland) and was ordered to implement stronger compliance measures and disgorgement of profits, which showed the reach of the Convention to put pressure on non-U.S. jurisdictions to act

5. Ericsson (Sweden) From 2000 to 2016, Swedish telecommunications giant Ericsson paid bribes[16] of more than US$1 billion to win mobile network contracts in China, Vietnam, Djibouti, and Kuwait, using slush funds and fake consultants, resulting in a 2019 DPA but additional penalties due to disclosure failures; in 2019, it paid US$1.06 billion to the U.S. DOJ and SEC, followed by a SEK 1 billion fine in Sweden, and additional U.S. penalties in 2023 total crosses over US$1.2 billion. riddlecompliance.com This was the first large-scale foreign bribery prosecution in Sweden, and the indictment of executives led to a multi-year compliance overhaul after OECD Phase 4 criticized Sweden for weak enforcement. elgaronline.com

6. Rolls-Royce plc (UK) Rolls-Royce, the British aerospace and defense company, participated in a 30-year bribery conspiracy[17] (1989–2013) in Indonesia, China, Russia, Thailand, and Nigeria, involving more than £150 million in bribes for contracts for power generation and civil aviation. Rolls-Royce self-reported in 2017 and settled for £671 million (roughly US$870 million) with the UK Serious Fraud Office, U.S. DOJ, and Brazilian authorities through a DPA—the first under the Bribery Act in the UK.8 The resolution included disgorgement of profits and a three-year monitorship, which sped up UK enforcement after OECD Phase 3 reviews

[15] Glencore: Notorious crimes and failures. Available at: https://www.greenpeace.ch/static/planet4-switzerland-stateless/2019/07/78272d82-glencore.pdf

[16] Official Portal of the UNDOJ. Ericsson Agrees to Pay Over $1 Billion. Available at: https://www.justice.gov/archives/opa/pr/ericsson-agrees-pay-over-1-billion-resolve-fcpa-case

[17] Yahaya Yusuf , A. Gunasekaran: the Enterprise information systems project implementation: A case study of ERP in Rolls-Royce Available at: www.umassd.edu/media/umassdartmouth/businessinnovationresearchcenter/publications/erp_rolls-royce.pdf

STANDARDS AND GLOBAL FRAMEWORK FOR FINANCIAL ACTION

Standards and global framework for financial action by the Financial Action Task Force (FATF) (AML and CFT) The FATF is an intergovernmental body, not a treaty, but its 40 recommendations have quasi-binding force through UNSC Resolutions. The Non-compliant countries will face grey or black list treatment, limited access to correspondent banking and higher transaction costs. Turkey was blacklisted for non compliance later it has been removed from the grey list in October 2023 following the adoption of new laws on freezing assets and non-profit institutions. Followed by Panama, Cayman Islands, Bahamas are introduced a public register of beneficial ownership. FATF has upgraded the process for Virtual assets, VASPs brought under the AML-CFT, the same has been peer reviewed by over 200 jurisdictions; virtually all countries now have a law on the FIU and on customer due diligence under the FATF.

CRS AND FATCA

The automatic exchange of financial information has marked a major turning point in ending global bank secrecy, led by initiatives such as FATCA and the OECD's Common Reporting Standard[18] (CRS). The U.S. Foreign Account Tax Compliance Act (FATCA) of 2010 established over 110 bilateral agreements requiring foreign financial institutions to identify and report U.S. account holders or face a 30% withholding tax on U.S.-sourced income, creating a powerful incentive for compliance. Switzerland followed by abolishing the use of numbered bank accounts for tax purposes in 2018, signaling the decline of traditional secrecy-based banking. The OECD's CRS, adopted in 2014, expanded this movement globally, with 122 jurisdictions (as of 2025) now exchanging information annually on bank accounts, trusts and investment vehicles. Former secrecy jurisdictions such as Liechtenstein, Andorra, Monaco and San Marino have joined the system, while financial hubs like Singapore, Hong Kong and the United Arab Emirates have introduced economic substance requirements and public registers of beneficial ownership. As a result, an estimated USD 11 trillion in offshore wealth is now visible to tax authorities worldwide, significantly reducing the ability of individuals to evade taxes through simple offshore banking structures.

[18] Official Portal of the OECD (2025), *Consolidated text of the Common Reporting Standard (2025): Standard for Automatic Exchange of Financial Account Information in Tax Matters*, OECD Publishing, Paris, https://doi.org/10.1787/055664b1-en.

KEY COOPERATION MECHANISMS

Key cooperation mechanisms are the mutual legal assistance, extradition and joint investigations The treaties provide specific instruments, example the MLAs (UNCAC Article 14). UNTOC Article 46. 18) more than 3 000 formal requests for legislative authorisation per year in corruption cases alone. Joint Investigation Teams (JITs) are widely used to exchange information without delay. Recently the Video-link testimony and electronic evidence protocols (Impact of the Budapest Convention) mechanisms have reduced the average time to obtain foreign bank records from years to months (in cooperation jurisdictions, sometimes weeks)

LANDMARK CASES, FACILITATED BY THE TREATIES:

Based on the international cooperation the Brazil country has recovered more than $5billion in the Operation Car Wash and Lava Jato (2014-2020) case with the help of cooperation with 67 countries in the framework of the UNCAC and OECD Convention. And the Malaysia got benefitted 1MDB (Malaysia), the Switzerland received more than $1.3 billion; Singapore[19], Luxembourg and the United Kingdom all co-operated through the CRS and UNCAC. The famous case of Abacha's plunder[20] where the cumulative $2.4 billion returned to Nigeria (1999-24) in the form of the last tranches under the UNCAC.

US-Switzerland cooperation under the MLAs and UNCAC helps to close the FIFA corruption case (2015)[21], coordinated resolution in Denmark, Estonia, France, the United Kingdom and the United States, using FATF standards and EU mechanisms.

CHALLENGES, GAPS AND EMERGING ISSUES

Despite the significant progress achieved through international treaties, numerous challenges continue to emerge from a range of factors. The major issues include Firstly, There is a huge Implementation deficit in many low-capacity countries, which lack trained prosecutors and functional FIUs. Secondly rules against Cryptocurrency and DeFI are not

[19] The times of central asia. Switzerland to Return $182 Million in Confiscated Gulnara Karimova Assets to Uzbekistan**,** Available at: https://timesca.com/switzerland-to-return-182-million-in-confiscated-gulnara-karimova-assets-to-uzbekistan/

[20] Official Portal of the UNDOC. The AG and Minister of Justice:" Nigeria, Abacha and The Bankers", Available at: https://www.unodc.org/documents/treaties/publications/abacha_bankers.pdf

[21] A Case Study of the 2015 FIFA Corruption Scandal Available at: https://mfacc.utoronto.ca/alumni/media/1338/download?inline

implemented in proper manner, thereby only about 60 percent of jurisdictions have fully implemented the FATF Travel Rule[22] (2025). Thirdly the Professional enablers like lawyers, trust and corporate services providers are still largely outside the scope of anti-money laundering in most countries. Fourth the Non-State Parties or Parties with weak positions like Somalia, North Korea, Eritrea, are not party to the Convention. Finally the Geopolitical tensions play a role like the Russia excluded from the FATF (2023);

some countries are now resisting the standards set by the West. Despite these shortcomings, the treaty-based system has reduced the number of global safe havens for dirty money more than in the previous 200 years, thanks to the impunity enjoyed by many multinationals.

INDIA'S ROLE IN INTERNATIONAL AGREEMENTS ON ECONOMIC CRIME:

India is a leading example of how emerging economies can effectively enforce international treaties against economic crime, having progressed from ratifying UNCAC[23][24] and UNTOC to achieving top-tier FATF compliance. By domesticating global standards through the Prevention of Money Laundering Act (PMLA) and strengthened Enforcement Directorate (ED) actions, India has recovered billions, dismantled criminal networks, and improved financial integrity with the intent to boost investor confidence in its $3.4 trillion economy. The 2024 FATF Mutual Evaluation Report confirms this progress, rating India's system as “achieving good results” despite the challenges of its rapidly expanding economy. Yet key gaps remain in terms of slow trials, the absence of dedicated foreign bribery legislation, and the need to address evolving technological risks such as cryptocurrencies and vulnerabilities in the non-profit and informal sectors, which account for nearly 45% of GDP.

India’s role as a G20 and APG leader reinforces the value of multilateralism, strengthening the global treaty ecosystem[25] by preventing criminals from exploiting cross-border loopholes. Its engagement has produced tangible results in major cases such as Vijay

[22] Official Portal of the FATF. *FATF Standards*. Available at: https://www.fatf-gafi.org/en/publications/Fatfrecommendations/update-Recommendation-16-payment-transparency-june-2025.html
[23] Official Portal of the UNDOC, https://www.unodc.org/documents/treaties/UNCAC/IRG-Experts/English/FirstCycle/India_E.pdf
[24] Official Portal of the UNDOC, Governmental Experts List. Available at: https://www.unodc.org/documents/treaties/UNCAC/IRG-Experts/English/SecondCycle/India_E.pdf
[25] Official Portal of the FATF. Available at: https://www.fatf-gafi.org/content/fatf-gafi/en/publications/Mutualevaluations/India-MER-2024.html

Mallya and Nirav Modi, where UNTOC and Mutual Legal Assistance Treaties[26] supported extradition efforts with the UK, and UNCAC-backed provisions enabled billions in asset seizures through the PMLA. Similarly, Lava Jato–inspired initiatives led to the ED's investigation of the 2018 PNB scam[27] involving ₹1.76 lakh crore, resulting in international asset freezes and cooperation with the United States and Switzerland. Despite these advances, challenges persist: prolonged case pendency of five to seven years, gaps in foreign bribery legislation under UNCAC, resource constraints within FIUs and courts, and emerging risks linked to crypto-assets and unregulated sectors. India is addressing these shortfalls through IPEG commitments and capacity-building support from APG, but further progress particularly deeper OECD integration is essential for sustaining momentum.

DOMESTIC IMPLEMENTATION AND ENFORCEMENT MECHANISMS

Beyond ratification, India plays a critical role in the *domestication* of international treaty obligations, transforming global standards into effective national instruments for combating economic crime. Legislative reforms following the ratification of UNCAC and UNTOC have significantly strengthened India's legal architecture: the Black Money Act (2015) and the Fugitive Economic Offenders Act[28] (2018) enhanced asset recovery and deterrence, amendments to the Prevention of Corruption Act in 2018 expanded coverage to include foreign bribery and illicit enrichment, and successive amendments to the Prevention of Money Laundering Act (2002–2023) broadened predicate offences and strengthened AML enforcement. Consistent with UNCAC's preventive measures, the Benami Transactions Act (2016) was operationalized to target concealed and proxy-held assets. Institutional capacity has also expanded; under the PMLA, the Enforcement Directorate (ED) conducts complex AML investigations and has seized assets worth billions of dollars, while the Financial Intelligence Unit (FIU-India) receives over one million Suspicious Transaction Reports annually. UNTOC-related investigations are led by the CBI, and national vulnerabilities including fraud, corruption, and financial sector risks are systematically assessed through the National Risk

[26] Karthik V : "Mutual Evaluation Report. India's measures to combat money laundering and terrorist financing" Available at: https://www.ijfmr.com/papers/2025/2/40500.pdf, International Journal for Multidisciplinary Research, E-ISSN: 2582-2160

[27] Dr. S. Gayathri, Mangaiyarkarasi T :A Critical Analysis of the Punjab National Bank Scam and its Implications, *International Journal of Pure and Applied Mathematics, Volume 119 No. 12, 2018, 14853-14866*

[28] Official Portal of the Dedpartment of Revenue,India. Fugitive Economic Offenders Act. Available at: https://enforcementdirectorate.gov.in/feoa

Assessment[29] (NRA 2023). Through these reforms, India has successfully aligned international treaty standards with domestic enforcement, creating a robust framework to counter economic crime.

CONCLUSION

Over the past twenty-five years, binding international treaties have transformed the fight against transnational economic crime from fragmented national initiatives into a coordinated global enforcement architecture, yielding unprecedented results such as billions in sanctions, large-scale asset recovery, and the dismantling of long-standing banking secrecy. India has emerged as a leading example of how an emerging economy can use this treaty-based regime to strengthen its own financial integrity. By aligning domestic laws with UNCAC, UNTOC, FATF, and OECD standards, India has successfully recovered billions in assets, disrupted major criminal networks, and enhanced investor confidence in its rapidly growing $3.4-trillion economy. The international community has played a crucial role in supporting India through information-sharing frameworks, extradition cooperation, CRS-based financial transparency, and peer reviews that have improved India's enforcement capacity.

Although gaps remain—particularly in regulating cryptocurrencies, addressing professional enablers, and accelerating trial processes—the overall trajectory is irreversible: safe havens for illicit wealth have narrowed, and international cooperation has substantially reduced the scope for cross-border impunity. To sustain this momentum, future policy must strengthen implementation support for lower-capacity states, integrate emerging technologies into global AML systems, and expand non-conviction-based confiscation tools. If these advances continue, the international treaty system will remain the essential foundation to prevent economic criminals from exploiting borders and undermining financial integrity

[29]Money laundering national risk assessment toolkit. Available at: https://www.fatf-gafi.org/en/publications/Methodsandtrends/Money-Laundering-National-Risk-Assessment-Toolkit-Annexes.html

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