# Committee: Economic and Financial Topic Area: Combating tax evasion and money laundering.  Sponsored by: Russian Federation Submitted by: United States of America ,Italy, Ukraine, United Kingdom , France , Russian Federation, Mexico , Czech Republic, Malta, Azerbaijan, Denmark, Australia, Germany, Brazil, Liechtenstein, Switzerland, India, Cuba, Serbia, New Zeeland, Cyprus, Spain, Hellas, Iran.

*The Economic and Financial committee*,

*Aware* of the fact that up to $32 trillion USD is held in offshore secrecy jurisdictions all over the world, which (according to the UN Conference on Trade and Development) cost developing countries more than $100 billion USD annually,

*Noting* the negative impact of financial crimes in the global economy leading to a severe destabilisation of the majority of economic systems,

*Recalling* the Organization for Economic Cooperation and Development estimation that between four to ten per cent of global corporate income tax revenues are lost per year, totaling to the amount of $100 to $240 billion,

*Welcoming* the important contribution of domestic and international initiatives regarding closer cooperation in the field of multilateral bank transactions,

*Taking into account* that in April 1990, the Financial Action Task Force on Money-Laundering (FATF) issued a set of 40 Recommendations for improving national legal systems, enhancing the role of the financial sector and intensifying cooperation in the fight against money-laundering,

*Aware* that Member States' right to fiscal sovereignty hinders the centralisation of tax governance on the international level,

*Recognising* a tax haven as a jurisdiction which:

1. offers low or zero tax rates,
2. has no requirement for substantial activities for holding companies,
3. enjoys political and economic stability,
4. shares little information with tax authorities abroad

*Noting with deep concern* the lack of transparency regarding information exchange between the EU and Third-Party States

1. *Calls upon* the establishment of a clear and consistent international definition of tax evasion and money laundering as criminal offences;

2. *Further calls upon* Member States to enhance their monitoring systems regarding bilateral and multilateral bank transactions;

3. *Encourages* the creation of a global supervisory body, that will assist the countries in the effort to eliminate tax evasion;

4. *Notes* the efforts to further strengthen the implementation of international legislation regarding financial crimes;

5. *Requests* the establishment of an advisory international mechanism assisting countries with high rates of tax evasion and illicit money laundering;

6. *Stresses* the need for a stricter legislative framework and implementation of Anti Money Laundering laws both in the administration and the judiciary system;

7. *Urges* its members to sign and ratify the Common Reporting Standard;

8. *Insists on* a closer cooperation and information sharing amongst countries with strong and consistent legislative frameworks against financial crime;

9. *Encourages* the creation of an educational system that promotes holistic approach on the issue of tax evasion and financial crime, insisting on the negative effects of such practices on society and the global economy;

10. *Reaffirms* the implementation of rewarding system on the basis of financial incentives for governmental and non-governmental organizations helping countries to deal with incidents of domestic and international tax crime;

11. *Urges* for a closer monitoring of off-shore transactions and international capital transfers through governmental and administrative authorities;

12. *Acknowledges* the authorization of supranational organizations to assist their Member States into fighting monetary and financial corruption;