Country-level support during the policy phase
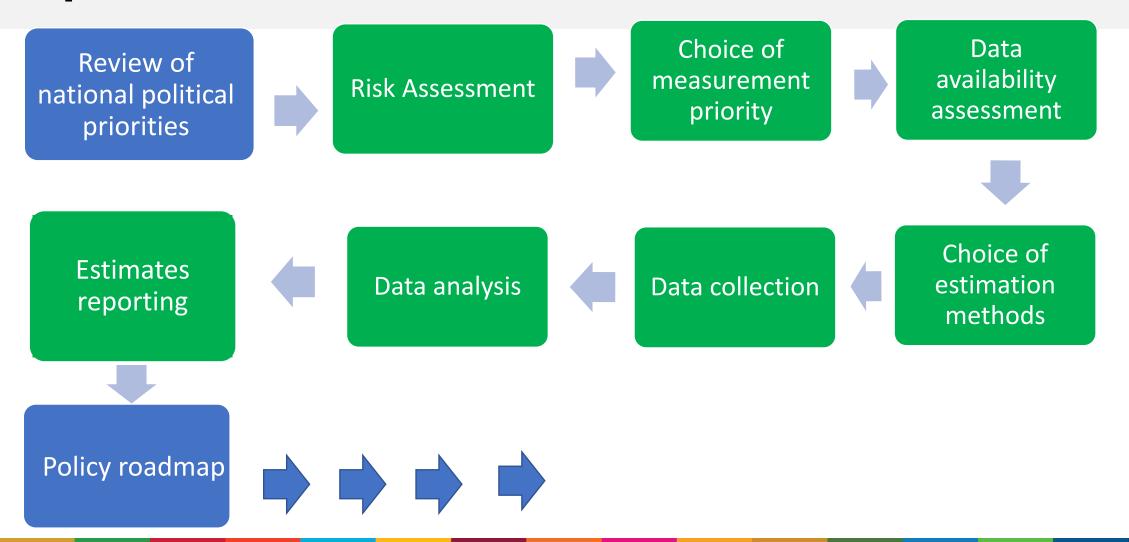
IFFs Technical Team

ESCAP

Implementation Process

Review of national political priorities → Risk Assessment → Choice of measurement priority → Data availability assessment

Estimates reporting ← Data analysis ← Data collection ← Choice of estimation methods

Policy roadmap

Policy briefs and Roadmap

- Identify key policy agencies and institutions
- Conduct consultations with measurement personnel
- Assess national strategies and priorities
- Map methods to measure IFFs with possible policy responses
- Develop policy briefs on IFFs, working papers and other knowledge products
- Develop a roadmap for use of data in evidence-based policy implementation
- Conduct seminars based on country experiences and Regional Commissions' tools and experience
- To assure sustainability – work closely with national agencies, maintain task force

Trade related IFFs

Measures	
Paperless trade	**Automated Customs System (e.g., ASYCUDA)**
	Internet connection available to Customs and other trade control agencies at border-crossings
	Electronic Single Window System
	…
Cross-border paperless trade	**Laws and regulations for electronic transactions are in place (e.g., e-commerce law, e-transaction law)**
	Recognized certification authority issuing digital certificates to traders to conduct electronic transactions
	Electronic exchange of Customs declaration
	…

Tax related IFFs

Suggested policy items in the roadmap:

- **Further technical and capacity support to Asia-Pacific countries on tax treatment of the digital economy, with a focus on cost-benefit analysis of the OECD/G20 two pillar solution to tax base erosion and profit shifting.**

- **Further technical and capacity support to Asia-Pacific countries on e-invoicing and track and trace systems in digitalized tax administration**

- **Further technical and capacity support to Asia-Pacific countries on specific tools for the digitalization of tax administrations, such as e-invoicing and track and trace systems, which could be applied to address illicit financial flows.**

Crime related IFFs

Suggested policy items in the roadmap:

- **Strengthened Regulatory Oversight:** Encouraging governments to foster policies that require stringent monitoring and documentation of every stage of the product life cycle, from manufacturing to distribution, to consumer, would aid in clamping down on illicit activities also when it comes to international drug trades.
- **Multi-agency Collaboration:** Collaborative policies where multiple agencies (both national and international) can work in sync leveraging the data derived from track-and-trace systems would be beneficial in fostering a network of information sharing that can be a strong deterrent to IFFs.
- **Public-Private Partnerships:** Encourage policies that facilitate partnerships between governments and private sector stakeholders, leveraging the latter's technical expertise and innovation to build robust track-and-trace systems.

Recommendations:
- **Technological Upgrades:** Recommend nations to continually upgrade their track-and-trace technologies to stay a step ahead of perpetrators exploiting loopholes in the system.
- **Capacity Building:** Advocate for the building of capacity and training among law enforcement agencies to efficiently utilize track-and-trace systems in monitoring and curbing IFFs associated with drug trafficking.
- **International Collaboration:** Recommend fostering international collaborations to facilitate the sharing of best practices, intelligence sharing, and even collaborative operations to crackdown on cross-border illicit drug flows.

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