

Open Letter to the Attention of States and International Organizations on the Role and Responsibilities of Gatekeepers in the Fight against Illicit Financial Flows

Illicit financial flows are one of the greatest threats to achieving the Sustainable Development Goals. From the money used to fund terrorist activity, to tax proceeds or sanction evasion, to the laundering of corruptly or criminally obtained profits, these illicit funds contribute significantly to human rights and environmental abuses, as well as ever-growing global inequality. Illicit financial flows deviate resources that could otherwise fund public healthcare, education and other critical aspects of social and physical infrastructure.

Global investigations, including the so-called “Panama” and “Paradise” papers, have drawn widespread attention to the essential role of certain professional intermediaries that knowingly or unknowingly facilitate illicit financial flows. In response, the World Economic Forum Gatekeeper Task Force, a cross-sectoral initiative convened by the Forum’s Partnering Against Corruption Initiative ([PACI](#)) and [Global Future Council on Transparency and Anti-Corruption](#), supported by the [Stolen Asset Recovery Initiative](#), recently launched the [Unifying Framework](#) on the role and responsibilities of private sector gatekeepers [at an official side event](#) of the first-ever United Nations General Assembly Special Session (UNGASS) against corruption.

Reflecting the transnational and cross-sectoral nature of illicit financial flows, the Unifying Framework promotes three fundamental principles and five core practices spanning all private sector gatekeepers worldwide, including bankers, lawyers, accountants, art advisers, and real estate agents, among other similarly situated professionals. This value-based self-regulatory framework provides a foundational tool for coherently mobilizing the private sector in the fight against illicit funds. Drafted by gatekeepers for gatekeepers, the Unifying Framework already benefits from the [endorsement](#) of a growing group of companies and organizations. All gatekeepers are invited to similarly endorse the framework and to work with the task force on its implementation.

Three principles

1) Integrity 2) Transparency 3) Accountability

Five practices

1. Establish clear, concrete and up-to-date policies
2. Promote effective due diligence
3. Centre a culture of integrity through training and incentives
4. Foster a “speak-up” culture
5. Collaborate across industries and sectors

All gatekeepers

Accountants • art advisers • bankers • corporate service providers • lawyers • luxury goods dealers • notaries • private wealth managers • real estate agents ...

The Unifying Framework touches on various ways that state actors can help mobilize the private sector in the fight against illicit financial flows. First, awareness raising and training are crucial to the effective mobilization of gatekeepers. While sometimes presented as “enablers” or “facilitators” of illicit activity, the reality is that much of the so-called enabling or facilitating is unintentional. Gatekeeping opportunities may be obvious, but the types of activities that enable the movement or investment of illicit funds may also closely resemble standard day-to-day work for private sector professionals. Absent proper knowledge and guidance, it is often difficult for individual professionals to identify, act upon, or report clients or transactions intent on furthering corrupt behaviour. Because all gatekeepers possess the potential to promote or impede illicit financial flows, all gatekeepers should have the tools and know-how to address them.

Second, state actors can harness the expertise and technical capabilities of the private sector through public-private collaboration and collective action. States and private sector actors will mutually benefit from increased transparency, reliable communication, and the sharing of best practices. States can also create more space for collective action within the private sector. Increased opportunities for meaningful engagement within and across gatekeeping industries will allow private sector professionals to build expertise, knowledge and community for the prevention of illicit financial flows. Further, recent technological developments in privacy enhancing and blockchain technologies, for example, can expand the extent to which gatekeepers and regulators can be transparent and collaborative without compromising pre-existing legal duties.

Finally, value-based self-regulation within the private sector should complement government regulation. Government regulation is essential to combatting corruption and preventing illicit financial flows; but it is not sufficient. Even the best regulatory approaches can fall short absent effective implementation and private sector buy-in. Value-based self-regulation is a key component in building a culture of integrity above and beyond compliance.

As the world begins to emerge from the COVID-19 pandemic, it is essential to recognize that transnational, multi-sectoral problems require transnational, multi-sectoral solutions. By coming together, it is possible to help mobilize a truly global response to the pervasive problem of illicit funds and in doing so, help to promote a just recovery and a more sustainable and equitable future. The World Economic Forum Gatekeeper Task Force is committed to the Unifying Framework for private sector gatekeepers and looks forward to working with all stakeholders on its implementation.

Follow-up inquiries or requests for information concerning the Unifying Framework are welcome. [Read the full text](#) of the Unifying Framework.

Yours sincerely,

The World Economic Forum Gatekeeper Task Force