



# Tax Crime Investigation Maturity Model

# **Tax Crime Investigation Maturity Model**

This document was approved by the OECD Committee on Fiscal Affairs on 16 November 2020 and prepared for publication by the OECD Secretariat.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

**Please cite this publication as:**

OECD (2020), Tax Crime Investigation Maturity Model, OECD, Paris.

<http://www.oecd.org/tax/crime/tax-crime-investigation-maturity-model.htm>

**Photo credits:** © Andrey Suslov – Shutterstock.com.

Corrigenda to OECD publications may be found on line at: [www.oecd.org/publishing/corrigenda](http://www.oecd.org/publishing/corrigenda).

© OECD 2020

---

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of the source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).

---



# Table of contents

Executive Summary	4
1 Guidance note for using the Maturity Model	5
Background	5
Objective of tax crime investigations	5
Defined Outcomes	5
Maturity levels	6
Conceptual diagram	6
Indicative Attributes	7
Effectiveness assessment	8
Guide to completing the self-assessment	9
2 The Tax Crime Investigation Maturity Model	10
Principle 1: Ensure tax offenses are criminalised	10
Principle 2: Devise an effective strategy for addressing tax crimes	18
Principle 3: Have adequate investigative powers	25
Principle 4: Have effective powers to freeze, seize, and confiscate assets	31
Principle 5: Put in place an organisational structure with defined responsibilities	39
Principle 6: Provide adequate resources for tax crime investigations	45
Principle 7: Make tax crimes a predicate offence for money laundering	51
Principle 8: Have an effective framework for domestic inter-agency co-operation	55
Principle 9: Ensure international co-operation mechanisms are available	73
Principle 10: Protect suspects' rights	80
Annex A. Example of a possible format for conducting self-assessment	86

# Executive Summary

The Maturity Model is a tool developed for jurisdictions to self-assess their capabilities to investigate tax crimes and facilitate their tax compliance efforts through capacity building. Based on the OECD's 2017 publication, *Fighting Tax Crime: The Ten Global Principles*<sup>1</sup>, the model charts out an evolutionary path across four levels of maturity: Emerging, Progressing, Established and Aspirational, to show how enforcement capabilities are enhanced through continuous process improvement and holistic implementation of each of those principles. The processes used for implementing the Ten Global Principles are used as the objective criteria for mapping the maturity level in a jurisdiction. These are processes that have been identified across multiple jurisdictions, which have helped to achieve defined outcomes and the overall objective of the tax crime investigative agencies. At higher levels of maturity, the tax crime investigation regime is effective, supports the integrity of the tax system and Sustainable Development Goals (SDGs) of domestic resource mobilisation and countering illicit financial flows (IFF).

Self-assessment through the Maturity Model is a purely voluntary exercise. The Model does not set any new global minimum standards which the jurisdictions are expected to follow. The Maturity Model analyses *how* a jurisdiction can mature in its ability to fight tax crimes, rather than simply describing *what* occurs within the tax crime investigation regime. This capacity-building focus is integral to the Maturity Model, in recognition of the Addis Tax Initiative and G7 Bari Declaration, but it is of relevance for jurisdictions at all stages of development. The Aspirational level of maturity focuses on futuristic attributes, making it relevant for the advanced jurisdictions.

The process improvements described in the model under each Principle have been empirically derived from the surveys conducted across 41 jurisdictions as part of the second edition of "Fighting Tax Crime: The Ten Global Principles", as well as the insights gained through self-assessments conducted at various pilot locations under the TIWB-CI programme.

The focal point of this self-assessment exercise is the tax crime investigation agency. However, given the strong linkages between tax crimes and other financial crimes, the Maturity Model self-assessment will provide the most useful diagnosis only when completed jointly with the relevant stakeholders from across a range of financial crime enforcement authorities, the prosecution agency and policymakers. Moreover, the self-assessment exercise is not meant for making comparison with other jurisdictions, but to identify successful universal processes that have helped to achieve defined outcomes and an overall objective of fighting tax crime in multiple jurisdictions.

The Maturity Model consists of three parts:

- **Chapter 1: Guidance note for using the Maturity Model.** This provides an overview of the model and an explanation of how to use the model.
- **Chapter 2: The Tax Crime Investigation Maturity Model.** The chapter contains the model which can be used by tax crime investigation agencies for self-assessment purposes.
- **Annex A** contains an example of a possible format for conducting self-assessment.

---

<sup>1</sup> Refers to OECD (2017), *Fighting Tax Crime: The Ten Global Principles*, OECD Publishing, Paris. <http://www.oecd.org/tax/crime/fighting-tax-crime-the-ten-global-principles.htm>

# 1

## Guidance note for using the Maturity Model

### Background

1. The Maturity Model, like any forms of modelling, is a simplified framework designed to explain the complex processes of tax crime investigation in an attempt to observe, understand and guide the capacity building efforts in a jurisdiction. This is a self-assessment tool to help jurisdictions understand where they stand in the implementation of the Ten Global Principles, based on a set of empirically-observed indicators. Further, the model charts out a path for future progress towards enhanced enforcement capabilities for achieving the overall objective of a tax crime investigation regime.
2. In addition to providing a framework for capability enhancement to combat tax crimes, the model provides a mechanism for jurisdictions to track their progress on implementation of the Ten Global Principles over time. It therefore also serves as an important tool for measuring the impact of tax crime capacity building interventions, including those promoted by the Addis Tax Initiative and G7 Bari Declaration.
3. This Guidance Note is intended for using as a reference manual for jurisdictions to conduct the Maturity Model self-assessment independently. It briefly explains the Objective and Defined Outcomes of tax crime investigation regime, the key concepts of the Maturity Model and how the Maturity Model can be used by jurisdictions in their capacity building efforts.

### Objective of tax crime investigations

4. Broadly speaking, the objective of a tax crime investigation regime can be stated as:

*“To support domestic resource mobilisation by addressing the tax gap, countering Illicit Financial Flows and maintaining the integrity of the tax system, leading to improved voluntary compliance through effective deterrence.”*

### Defined Outcomes

5. Defined outcomes are concrete, specific statements that describe the effects of implementing the Ten Global Principles, which are considered necessary in order to achieve the overall objective of a tax crime investigation regime. The following six Defined Outcomes have been identified, based on multiple country experiences:
  - Improved taxpayer compliance
  - Strategic approach to combatting current, emerging, and future tax crime risks is informed by Whole of Government approach

- Enhanced enforcement of tax crimes and other financial crimes by natural and legal persons, including professional enablers
- Enhanced prevention and detection of tax crimes and other financial crimes
- Offenders punished with dissuasive criminal sanctions and stripped of proceeds of crime
- Enhanced international co-operation in the global fight against illicit financial flows

6. The extent to which Jurisdictions achieve these Defined Outcomes depends on the level of maturity and effectiveness of the tax crime investigation regime.

## Maturity levels

7. The Model sets out four levels of maturity and the characteristic features of each level are summarised below:

- Emerging: this level is intended to represent jurisdictions where certain processes have been used to develop some capabilities to combat tax crimes, but they continue to be ad hoc and hence need further significant improvements;
- Progressing: this level is intended to represent jurisdictions where certain process- improvement reforms have been initiated but these processes are not yet systematically implemented and institutionalised;<sup>2</sup>
- Established: this level is intended to represent jurisdictions where robust processes have been put in place, resulting in a high degree of capability in combatting tax crimes and they are institutionalised. Many advanced jurisdictions are expected to cluster around this level;
- Aspirational: this level is intended to represent jurisdictions where the processes have been optimised resulting in a paradigm shift in their efforts to combat tax crimes, with the use of new innovative tools and technology. Few jurisdictions are expected to be consistently at this level currently, but jurisdictions may be able to move from the “Established” to “Aspirational” level of maturity in the medium term;

8. While defining the levels, the “Established” level has been positioned to provide a description where on average most of the developed jurisdictions are evidenced to cluster. Using this as a reference point, the other levels of maturity have been fleshed out by describing the evolutionary pathway for process improvement, from an “Emerging” level to “Established” through an intermediate level of “Progressing”. The journey from “Established” to “Aspirational” is intended to describe what might be possible in medium term for advanced jurisdictions to address emerging risks.

## Conceptual diagram

9. Insights from the country experiences highlight that diffused implementation of the Ten Global Principles is usually associated with ineffectiveness and lower levels of maturity. Synchronised implementation improves effectiveness in achieving the Defined Outcomes, leading to higher levels of maturity. In other words, given the inter-related nature of each of the Principles, achieving a lower level of maturity under one Principle will adversely affect the Defined Outcomes and the Objective as a whole.

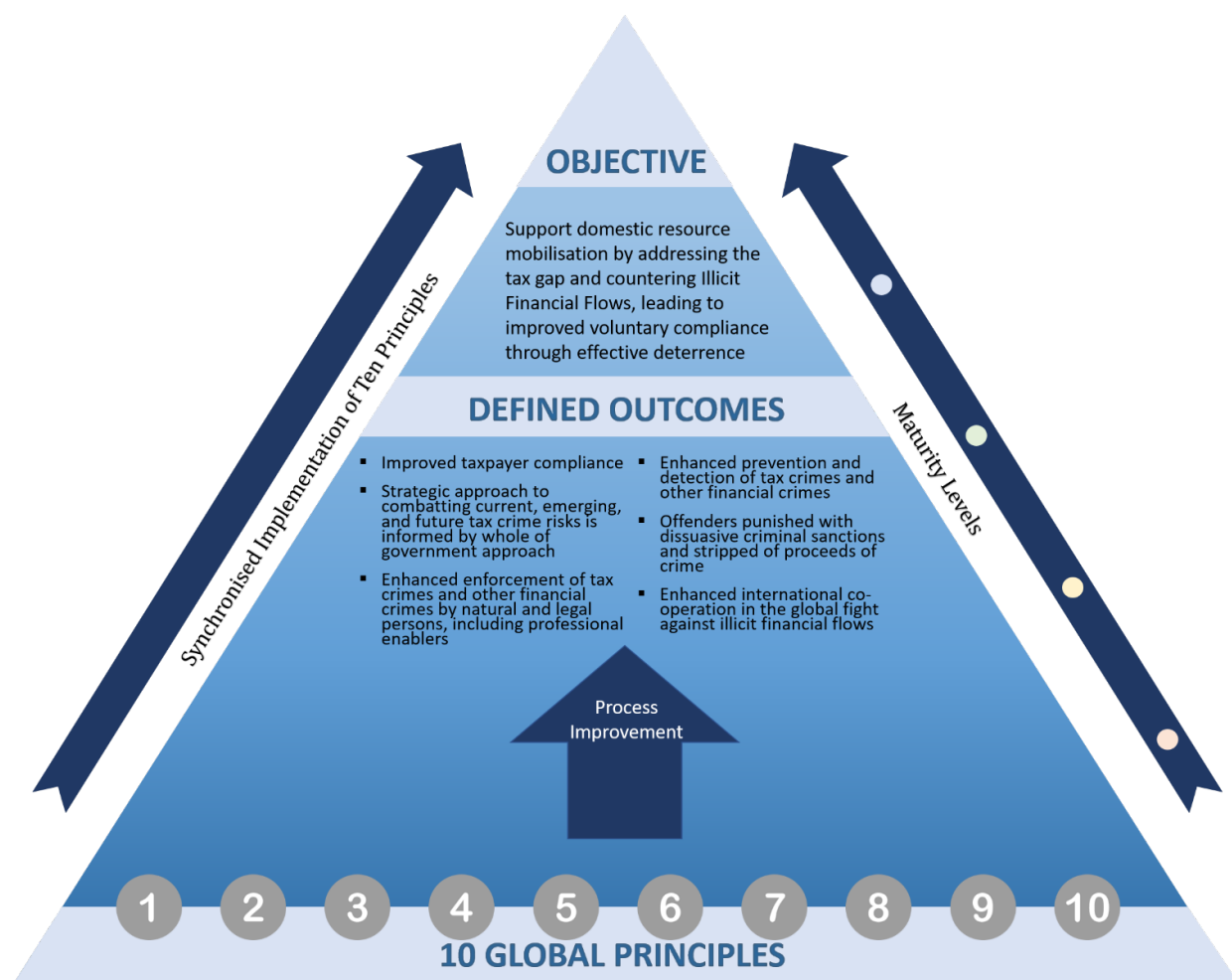
10. The conceptual diagram below visualises these concepts of the model and how they fit together. It demonstrates how implementation of the Ten Global Principles through process improvements and

---

<sup>2</sup> Institutionalization implies that the process is ingrained in the way the work is performed and there is an organisation-wide commitment and consistency to performing the process.

synchronised implementation of the Ten Global Principles will improve effectiveness through enhanced enforcement capabilities for countering illicit financial flows, leading to achievement of Defined Outcomes. An effective tax crime investigation regime will help in fulfilling its overarching objective. As a jurisdiction manages to implement the Ten Global Principles collectively and more effectively, it moves along the evolutionary path of maturity towards the Aspirational level.

**Figure 1.1. Conceptual framework of the Maturity Model**



Note: As a jurisdiction manages to implement the Ten Global Principles collectively and more effectively, it moves along the evolutionary path of maturity towards achieving the overall objective of the Tax Crime Regime.

## Indicative Attributes

11. Using the Ten Global Principles as its building blocks, the Maturity Model breaks down each of the Ten Principles into multiple discrete but connected elements. For each element, the model provides a description of certain processes across four levels of maturity as empirically observed in multiple jurisdictions. These descriptors are considered indicators of a particular maturity level, and called "Indicative Attributes". Mapping of these Indicative Attributes to four levels of maturity is the crux of the Maturity Model, and jurisdictions will evaluate their maturity level vis-a-vis these Indicative Attributes.



12. A small visualization of how these indicative attributes are implemented in the assessment is shown below:

Maturity Levels		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
Element	Sub-Element 1	Characteristics of emerging processes for sub-element 1	Characteristics of progressing processes for sub-element 1	Characteristics of established processes for sub-element 1	Characteristics of aspirational processes for sub-element 1
	Sub-Element 2	Characteristics of emerging processes for sub-element 2	Characteristics of progressing processes for sub-element 2	Characteristics of established processes for sub-element 2	Characteristics of aspirational processes for sub-element 2

13. At each level of maturity, the Indicative Attributes display diverse characteristics. At the Emerging level, the processes are ad hoc in nature, whereas, at the Progressing level, process improvement initiatives are undertaken but these are not systematically implemented and institutionalised. The Established level of maturity is characterised by robustness of processes and institutionalisation. The process improvements for enhancing enforcement capability has an important bearing on the effectiveness of the tax crime investigation regime in achieving the Defined Outcomes and the Overall Objective.

14. By design, these indicative attributes are expected to display distinct improvement from an earlier level to the next level of maturity. During the assessment, the assessor should evaluate the nature of processes and how the jurisdiction has initiated process improvements and taken steps towards institutionalising the said processes. A comments/feedback section has been included after each element so that the assessor can record remarks and provide additional information.

15. The model also contains a short introductory text before each principle which briefly describes key features of the principle at hand and characterisation of the evolutionary path towards higher levels of maturity.

## Effectiveness assessment

16. Effectiveness in achieving the Defined Outcomes through capacity building by implementing the Ten Global Principles, has been built into the Model's indicative attributes. During self-assessment, two overarching questions have to be considered (i) to what extent the tax crime investigation regime has been effective in achieving its objectives and the Defined Outcomes? (ii) What can be done to improve effectiveness?

17. The Maturity Model provides for a detailed analysis of effectiveness of the regime through the 'Review and Monitoring' mechanism in a jurisdiction (Principle 2.4 discussed in Chapter 2). Country experiences show that the jurisdictions which are successful in implementing the Ten Global Principles in a synchronised manner, and regularly review the implementation process, achieve higher levels of effectiveness. The prevailing practice of maintaining and analysing relevant statistics provides insights to the tax crime investigative agency and policymakers, imparts flexibility to respond to emerging risks and allows for course corrections. Therefore, the robustness of the internal feedback loop adds to the maturity of a jurisdiction.

18. Regarding the second question about how to improve effectiveness, the Maturity Model provides an opportunity to identify the factors that are adversely affecting effectiveness during the self-assessment and steps to be taken for improving effectiveness. During self-assessment, the participants can record the 'Suggested Next Steps' in the feedback box after each Principle. A robust 'Review and Monitoring' mechanism is thus a key feature in a mature jurisdiction.

## Guide to completing the self-assessment

19. The focal point of the self-assessment through the Maturity Model is the Tax Crime Investigation Agency. However, given the strong linkages between tax crimes and other financial crimes, the self-assessment extends to an evaluation of the inter-agency co-ordination as an integral part of this exercise. Therefore, one possible format for conducting the self-assessment is through a workshop where representatives from all the relevant enforcement agencies and the policy makers participate. Jurisdictions may also consider combining self-assessment through Maturity Model with other external assessment tools or other relevant internal/external reports on the jurisdictions.

20. Self-assessment through the Maturity Model is a purely voluntary exercise. The Model does not set any new global minimum standards which the jurisdictions are expected to follow. The Aspirational level is futuristic and represents practices that are beyond existing standards and common practice. This Aspirational level includes challenging indicators which could be considered on a voluntary basis the medium term, but do not set new global standards. All international instruments and global standards including the principles under the multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC) and obligations in other existing international obligations such as those set out in Mutual Legal Assistance Treaties are sacrosanct, and the model does not aim to suggest otherwise. For example, where relevant the Maturity Model reflects international standards in particular areas (such as on exchange of information for tax purposes as monitored by the Global Forum on Transparency and Exchange of Information for Tax Purposes, or on anti-money laundering and counter-financing of terrorism as monitored by the Financial Action Task Force) but does not suggest that countries must go beyond such standards and competence for reviewing those international standards must remain with such authorised bodies. Maintenance of statistics are meant for jurisdiction's internal monitoring purpose only and not meant for cross-country comparison. Finally, confidentiality standards surrounding of taxpayer data are respected in the model as per the globally accepted standards.

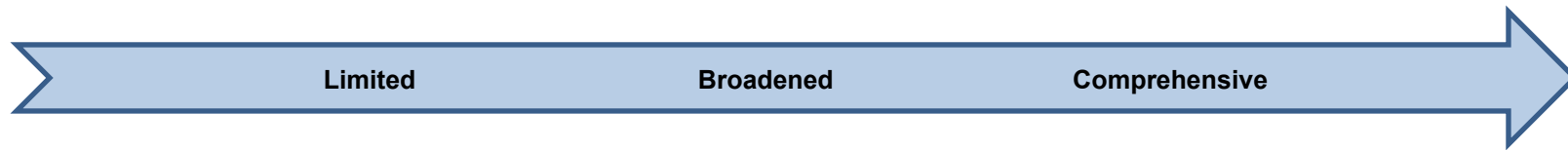
21. More detailed instructions on a possible format for conducting self-assessment is given in **Annex A**.

# 2 The Tax Crime Investigation Maturity Model

## Principle 1: Ensure tax offenses are criminalised

22. While laying the foundation for criminal justice system for tax offences, Principle 1 guides all other principles and outcomes often hinge on the legal framework. The criminalisation of violations of tax law ensures the availability of criminal investigative and enforcement powers that are necessary to find the truth, including financial investigations and powers to deprive criminals of their proceeds of crime if warranted. It also provides for a basis for domestic co-operation with other law enforcement agencies under the criminal law and international co-operation, all leading towards achieving the goal of deterring tax crimes. Jurisdictions at established levels are evidenced to have legal frameworks in place that criminalise tax offences committed by natural and legal persons, either as principal or accessory, and make available a range of criminal sanctions that are dissuasive and commensurate with the seriousness of the offences, which can be applied effectively in practice.

23. A pathway to higher levels of maturity represents a movement from a legal framework with a limited range of coverage and scope, to a level where there is comprehensive coverage of clearly defined set of tax offences that reflects the evolutionary nature of financial crimes and dissuasive sanctions commensurate with the seriousness of crimes.



Maturity Levels		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
1.1 Criminalisation of tax offences	a. Individuals	Tax offences are criminalised but constituent elements are vague or missing, including jurisdiction over tax offences committed outside the jurisdiction. The scope of criminalized offences is limited and/or the high threshold for criminal tax offences limits the ability to prosecute criminal cases.	Clarity about constituent elements of the offences is improved. Legal jurisdiction over tax offences committed outside the jurisdiction is defined. Scope of tax offences is partly expanded and threshold is altered to appropriately reflect tax criminality.	Coverage of offences is further expanded to reflect the emerging forms of tax crimes including identity theft, missing trader under VAT fraud, etc. Criminality is linked to intent rather than a monetary threshold.	Legal code extends to crimes associated with new technologies (i.e.: crypto-asset, cybercrimes and hacking of taxpayer data and employee files, identity theft for false returns, or hijacking of computers to redirect refunds). Jurisdiction rules are fine-tuned to capture highly mobile international criminals.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Legal persons	Tax offences are criminalised but constituent elements are vague or missing, including jurisdiction over tax offences committed outside the jurisdiction. The scope of criminalized offences is limited and/or the high threshold for criminal tax offences limits the ability to prosecute criminal cases.  Attribution of liability for the criminal acts of the legal entity is fixed on the individuals responsible for these acts.	Clarity about constituent elements of the offences is improved. Legal jurisdiction over tax offences committed outside the jurisdiction is defined. Scope of tax offences is partly expanded and threshold is altered to appropriately reflect tax criminality.  Attribution of liability for the criminal acts of the legal entity is fixed on the Board of Directors and other senior officers of the entity.	Coverage of offences is further expanded to reflect the emerging forms of tax crimes including identity theft, missing trader under VAT fraud, etc. Criminality is linked to intent rather than a monetary threshold.  Attribution of liability for the criminal acts of the legal entity fixed on both the “directing mind and will” of the entity and the entity itself.	Legal code extends to crimes associated with new technologies (i.e.: crypto-asset, cybercrimes and hacking of taxpayer data and employee files, identity theft for false returns, or hijacking of computers to redirect refunds). Jurisdiction rules are fine-tuned to capture highly mobile international criminals.  Attribution of liability for the criminal acts of the legal entity fixed on both the “directing mind and will” of the entity including the beneficial owners explicitly

Maturity Levels		Emerging	Progressing	Established	Aspirational
					and the entity itself.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
<b>1.2 Availability of criminal sanctions for violations of tax laws</b>	<b>a. Individuals</b>	Criminal sanctions and punitive measures provided for in the law are inadequate: Maximum sanctions are insufficient to dissuade offending; disproportionate to the level of offending; provisions on deprivation of liberty are insufficient to make a request under the mutual legal assistance, does not provide for aggravating circumstances and graded sanctions. Law provides for exemption for criminal liability if taxes are paid up at any stage till sanction is ordered.	Reforms initiated to provide for criminal sanctions and punitive measures which are sufficient to dissuade offending; proportionate to the level of offending; provisions on deprivation of liberty are insufficient to make a request under the mutual legal assistance.  Law does not provide for graded sanctions for aggravating circumstances but introduces a few alternative criminal sanctions instead of total exemption in the event of full payment of taxes, such as, community service, payment of compensation, disqualification for occupying certain positions like Board of Directors in a company, etc.	Criminal sanctions and punitive measures are adequate, exhaustive, and maximum sanctions are sufficient to dissuade offending and proportionate to the level of offending Law provides for graded sanctions for aggravating circumstances and introduces a new set of alternative criminal sanctions, such as, renunciation of possession of assets, deferred prosecution agreement.	Criminal sanctions adapt to the changing landscape of operating environment and technology driven emerging crimes to provide for total disruption of criminal network through cross-border action.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				



Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Legal persons</b>	<p>Criminal sanctions and punitive measures provided for in the law are inadequate: Maximum sanctions are insufficient to dissuade offending; disproportionate to the level of offending; provisions on deprivation of liberty are insufficient to make a request under the mutual legal assistance, does not provide for aggravating circumstances and graded sanctions. Law provides for exemption for criminal liability if taxes are paid up at any stage till sanction is ordered.</p> <p>Sanction for criminal acts of the legal entity is fixed on the individuals responsible for these acts.</p>	<p>Reforms initiated to provide for criminal sanctions and punitive measures which are sufficient to dissuade offending; proportionate to the level of offending; provisions on deprivation of liberty are insufficient to make a request under the mutual legal assistance.</p> <p>Law does not provide for graded sanctions for aggravating circumstances but introduces a few alternative criminal sanctions instead of total exemption in the event of full payment of taxes, such as, community service, payment of compensation, disqualification for occupying certain positions like Board of Directors in a company, etc.</p> <p>Sanction for criminal acts of the legal entity is fixed on the Board of Directors and other senior officers of the entity and initiation of winding up process for the legal entity.</p>	<p>Criminal sanctions and punitive measures are adequate, exhaustive, and maximum sanctions are sufficient to dissuade offending and proportionate to the level of offending Law provides for graded sanctions for aggravating circumstances and introduces a new set of alternative criminal sanctions, such as, renunciation of possession of assets, deferred prosecution agreement.</p> <p>Listing in a corporate registry which might affect the possibility of participation in public tender and/or delisting from the stock exchange in case of a public company.</p> <p>Sanctions for the criminal acts of the legal entity fixed on both the “directing mind and will” of the entity and the entity itself.</p>	<p>Criminal sanctions adapt to the changing landscape of operating environment and technology driven emerging crimes to provide for total disruption of criminal network through co-ordinated global action.</p> <p>Sanction for the criminal acts of the legal entity fixed on both the “directing mind and will” of the entity including the beneficial owners explicitly and the entity itself.</p>
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				

Maturity Levels		Emerging	Progressing	Established	Aspirational
1.3 Criminalisation of complicity in tax crimes, including aiding, abetting, facilitating or enabling the commission of a tax offence by others	a. Individuals	Complicity in tax crimes are criminalised but constituent elements are vague or missing, including jurisdiction over tax offences committed outside the jurisdiction. The scope of criminalized offences is limited and/or the high threshold for criminal tax offences limits the ability to prosecute criminal cases.  Sanctions similar to the underlying primary offences. No specific reference to professional enablers.	Clarity about constituent elements of the complicity in tax crimes is improved. Legal jurisdiction over tax offences committed outside the jurisdiction is defined. Scope of tax offences is partly expanded and threshold is altered to appropriately reflect tax criminality.  Sanctions similar to the underlying primary offences including professional enablers.	Coverage of offences for complicity in tax crimes is further expanded to reflect the emerging forms of tax crimes including identity theft, missing trader under VAT fraud, etc. Criminality is linked to intent rather than a monetary threshold.  Professional enablers are subjected to enhanced sanctions as their participation considered as an aggravating factor.	Legal code extends to complicity in tax crimes associated with new technologies (i.e.: crypto-asset, cybercrimes and hacking of taxpayer data and employee files, identity theft for false returns, or hijacking of computers to redirect refunds). Jurisdiction rules are fine-tuned to capture highly mobile international criminals.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Legal persons	Complicity in tax crimes are criminalised but constituent elements are vague or missing, including jurisdiction over tax offences committed outside the jurisdiction. The scope of criminalized offences is limited and/or the high threshold for criminal tax offences limits the ability to prosecute criminal cases.  Sanctions similar to the underlying primary offences.	Clarity about constituent elements of the complicity in tax crimes is improved. Legal jurisdiction over tax offences committed outside the jurisdiction is defined. Scope of tax offences is partly expanded and threshold is altered to appropriately reflect tax criminality.  Sanctions similar to the underlying primary offences.	Coverage of offences for complicity in tax crimes is further expanded to reflect the emerging forms of tax crimes including identity theft, missing trader under VAT fraud, etc. Criminality is linked to intent rather than a monetary threshold.  Professional enablers are subjected to enhanced sanctions as their participation considered as an aggravating factor.	Legal code extends to complicity in tax crimes associated with new technologies (i.e.: crypto-asset, cybercrimes and hacking of taxpayer data and employee files, identity theft for false returns, or hijacking of computers to redirect refunds). Jurisdiction rules are fine-tuned to capture highly mobile international criminals.
	Evaluation				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
1.4 Criminalisation of conspiracy to commit a tax offence/ organised tax crime	a. Individuals	Conspiracy in tax crimes are criminalised but constituent elements are vague or missing, including jurisdiction over tax offences committed outside the jurisdiction. The scope of criminalized offences is limited and/or the high threshold for criminal tax offences limits the ability to prosecute criminal cases.  Sanctions similar to the underlying primary offences.	Clarity about constituent elements of the Conspiracy in tax crimes is improved. Legal jurisdiction over tax offences committed outside the jurisdiction is defined. Scope of tax offences is partly expanded and threshold is altered to appropriately reflect tax criminality.  Sanctions similar to the underlying primary offences.	Coverage of offences for Conspiracy in tax crimes is further expanded to reflect the emerging forms of tax crimes including identity theft, missing trader under VAT fraud, etc. Criminality is linked to intent rather than a monetary threshold.  Professional enablers are subjected to enhanced sanctions as their participation considered as an aggravating factor.	Legal code extends to Conspiracy in tax crimes associated with new technologies (i.e.: crypto-asset, cybercrimes and hacking of taxpayer data and employee files, identity theft for false returns, or hijacking of computers to redirect refunds). Jurisdiction rules are fine-tuned to capture highly mobile international criminals.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Legal persons	Conspiracy in tax crimes are criminalised but constituent elements are vague or missing, including jurisdiction over tax offences committed outside the jurisdiction. The scope of criminalized offences is limited and/or the high threshold for criminal tax offences limits the ability to prosecute criminal cases.  Sanctions similar to the underlying primary offences.	Clarity about constituent elements of the Conspiracy in tax crimes is improved. Legal jurisdiction over tax offences committed outside the jurisdiction is defined. Scope of tax offences is partly expanded and threshold is altered to appropriately reflect tax criminality.  Sanctions similar to the underlying primary offences.	Coverage of offences for conspiracy in tax crimes is further expanded to reflect the emerging forms of tax crimes including billing companies, bogus companies and strawmen, missing trader under VAT fraud, etc. Criminality is linked to intent rather than a monetary threshold.  Professional enablers are subjected to enhanced sanctions as their participation considered as an aggravating factor.	Legal code extends to conspiracy in tax crimes associated with new technologies (i.e.: crypto-asset, cybercrimes and hacking of taxpayer data and employee files, identity theft for false returns, billing companies, bogus companies and strawmen hijacking of computers to redirect refunds). Jurisdiction's rules are fine-tuned to capture highly mobile international criminals.

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
<b>1.5 Statute of limitations for commencement of prosecution for tax crimes</b>	<b>a. Individuals</b>	Statute of limitations for commencement of prosecution proceedings is inadequate and there is no clarity on the date of commencement.	Reform initiated and the limitation period expanded, aligning with the nature and seriousness of the offences, date of commencement clearly specified.	Statute of limitation is adequate and aligned with the nature and seriousness of the offences, Explicit provision for exclusionary period for extending the period of limitation.	Law further provides for extension of the limitation period in public interest due to extra-ordinary circumstances preventing initiation of prosecution proceedings.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal persons</b>	Statute of limitations for commencement of prosecution proceedings is inadequate and there is no clarity on the date of commencement.	Reform initiated and the limitation period expanded, aligning with the nature and seriousness of the offences, date of commencement clearly specified.	Statute of limitation is adequate and aligned with the nature and seriousness of the offences, Explicit provision for exclusionary period for extending the period of limitation.	Law further provides for extension of the limitation period in public interest due to extra-ordinary circumstances preventing initiation of prosecution proceedings.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Levels		Emerging	Progressing	Established	Aspirational
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				



## Principle 2: Devise an effective strategy for addressing tax crimes

24. In order to address tax crimes as well as emerging risks, jurisdictions require a framework to assess threats and formulate strategy to mitigate risks<sup>3</sup>. Jurisdictions at the established level are evidenced to have risk assessment framework and strategies for addressing such risks with clearly defined objectives and risk mitigation plans. An effective risk assessment framework requires wide range of intelligence sources for threat assessment, with inbuilt stakeholder consultation in strategy formulation and subject to regular review and monitoring. An operational plan for risk mitigation is put in place that includes case selection, case development and investigation, employee engagement, workforce development and technology. A communication strategy with the public and media communications generally complements the tax crime strategy in jurisdictions at the established level.

25. A pathway to higher levels of maturity represents a movement from a stand-alone to integrated risk assessment and strategy formulation. At the emerging level, the jurisdiction has stand-alone rudimentary risk assessment framework and strategy formulation process, limited stakeholder consultation and limited integration of intelligence sources. Higher levels of maturity reflect fully integrated systems of risk assessment which use multiple intelligence sources across relevant enforcement agencies. At the aspirational level, the strategy formulation is supported by advance analytics and behavioural insights, which is flexible to be able to make course correction based on experiences.

---

<sup>3</sup> It is important to explain the difference between threat and risk in the model as it has implications for policymakers. Threats are a function of capability and harmful intent, whereas risks refer to the likelihood of threats materialising and the consequent harm associated with such risks (Strachan-Morris). Risk assessment is involved in assessing the likelihood of action taken by the adversaries and the potential harm it likely to cause, and proper risk assessments are informed by sound threat assessments. Risk assessment thus encompasses threat assessment for the purposes of this model.

David Strachan-Morris (2012) Threat and Risk: What Is the Difference and Why Does It Matter?, *Intelligence and National Security*, 27:2, 172-186, DOI: [10.1080/02684527.2012.661641](https://doi.org/10.1080/02684527.2012.661641)



Maturity Levels		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
2.1 Devising a strategy	a. Defining clear objectives	High level annual objectives are set by senior management of tax crime investigation agency as part of strategy for combating tax crimes, with some broad aspirational targets, but with no coherence with other strategic national priorities except that of tax administration.	High level annual objectives are set by the senior management of tax crime investigation agency with specific performance indicators around the goals of prevention, detection, enforcement and recovery of assets, partly aligned with other strategic national priorities set by some other enforcement agencies through informal discussions.	Linkage between tax and other financial crimes is acknowledged and high level annual objectives with specific performance indicators are set by the policy makers and senior management which are aligned with the strategic priorities of all the relevant enforcement and prosecution agencies through a formal consultative process, covering goals of prevention, detection, enforcement and recovery of assets.	Objectives are set under a national risk assessment exercise, explicitly bringing out the linkages between objectives set by various enforcement agencies dealing with financial crimes, with each agency contributing a separate module to the overall risk assessment framework. Addressing tax gap and countering illicit financial flows figure in the objectives explicitly.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Formulating a strategy	The strategy for combating tax crime is set by senior management with very limited engagement with investigators and with lack of clarity on accountability.	The strategy is set with full consultation with the investigators of tax crime investigation agency and civil tax auditors, with clear accountability as to the specific performance indicators. However, strategy formulation is mostly confined to the tax crime investigation agency.	The strategy is set through a formal consultative process with all the relevant enforcement and prosecution agencies with clear understanding of areas of joint accountability. Strategy formulation is extended to other enforcement agencies.	<p>The strategy is formed with clear understanding of areas of joint accountability.</p> <p>The strategic planning process is supported by predictive analytics to forecast different scenarios that should be taken into account.</p> <p>The process of development of an integrated strategic plan is overseen by a joint task force of policy makers and other stakeholders.</p>

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Risk assessment framework</b>	An ad-hoc risk assessment framework is in place with focus on the current risks, using only limited sources of intelligence available within the tax administration without any domain risk-assessment expert and technology.	A more structured risk assessment framework is in place with focus on current and emerging risks, using a few domestic intelligence sources outside tax administration with introduction of new technology tools and risk-assessment domain experts. Range of intelligence sources, level of expertise and introduction of high end technical tools are limited.	A robust risk assessment framework is in place that identifies current, emerging and future risks, based on an objective assessment of wide range of available intelligence sources, both domestic and international, using data warehouse and high-end data-mining technology tools, with the help of highly experienced risk-assessment domain experts guiding targeted compliance activities.	A robust risk assessment framework is in place, with seamless connection to multiple intelligence sources across databases, both domestic and international, housed in a joint intelligence centre, supported by predictive analytics to forecast different scenarios that should be taken into account while identifying potential risks.  Actionable intelligence is shared with multiple agencies through the joint intelligence centre on real time basis, aimed at targeted compliance activities with the help of behavioural insights.  Uses strong governance process to ensure confidentiality of data.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>d. Intelligence sources</b>	Information available within tax administration is being organised, feedback from completed cases and reference from civil auditors used in a limited manner.	In-house intelligence is better organised and accessible with the help of technology, including complaints received from public. Sources are extended beyond tax administration to	Access to a wide range of intelligence sources, both domestic and international, intelligence from other enforcement agencies, financial intelligence from the FIU, financial	Artificial intelligence is increasing used to determine actionable intelligence by linking diverse intelligence sources seamlessly.

Maturity Levels		Emerging	Progressing	Established	Aspirational
			include certain external databases but with many restrictions.	regulator, third party information on transactions, open source intelligence including social media.	
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
2.2 Operational plan for risk mitigation	a. Prioritisation and mitigation of emerging risks	Risks are prioritised in an ad-hoc manner on a stand-alone basis but no concrete plan to mitigate such risks.	Prioritisation of risks are done in a more systematic manner and a plan to mitigate risks is prepared and implemented in a partly co-ordinated manner with other enforcement agencies.	<p>Risk prioritisation and mitigation plan is comprehensive and co-ordinated with other enforcement and prosecution agencies through a formal consultative process, covering goals of prevention, detection, enforcement and recovery of assets.</p> <p>Early warning system guides detection and prevention of crimes as part of the mitigation plan.</p>	<p>The risk mitigation plan is set through a formal consultative process with the policy makers and all the relevant enforcement and prosecution agencies with clear understanding of areas of joint accountability.</p> <p>The mitigation plan is supported by predictive analytics and artificial intelligence to forecast different scenarios that should be taken into account, backed by behavioural insights for targeted enforcement activities.</p> <p>Technologically advanced and innovative early warning system guides detection and prevention of crimes.</p>
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Allocation of resources</b>	A preliminary plan for allocation of resources in accordance with risk assessment prepared for only current risks but not flexible to tackle emerging risks.	A more structured plan for allocation of resources in accordance with risk assessment prepared for current and emerging risks but not flexible enough to tackle future risks.	A comprehensive plan for allocation of resources is prepared on the basis of assessment of current, emerging and future risks with enough flexibility to meet new challenges.	A technology driven comprehensive plan in place for allocation of resources based on risk assessment on a real time basis with full flexibility to address current, emerging and future risks proactively.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
<b>2.3 Communication with public</b>	<b>Communication policy</b>	A communication policy is in place but ad-hoc in nature without any specific guidelines.	A communication policy is in place with a set of specific guidelines, supported by a media team, but restricted to communication with public on case-by-case basis.	A clear-cut communication strategy is in place with detailed guidelines on communication channels based on segmentation. Communication goes beyond cases to inform public of the risks, mitigation plan, early warnings and trend in an ongoing basis.	A comprehensive media strategy is in place and all communication channels are used to inform public about recent trends in tax and other financial crimes and close linkages between these crimes.  Behavioural insights used for developing narratives to achieve the defined outcomes.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
<b>2.4 Review and monitoring</b>	<b>a. Maintenance of statistics</b>	Some basic statistics, such as, number of cases referred by civil auditors, number of concluded investigations, number of cases where offence detected, cases referred for prosecution, number of cases where	The range of statistics on criminal tax offences expanded to include number of cases where alternative sanctioned ordered, number of cases where claim of tax deductions for criminal sanctions denied, recovery of assets, exchange of	Comprehensive statistics on criminal tax offences are maintained including information received under automatic exchange of information, international recovery of assets through joint operations with other agencies.	Comprehensive statistics on criminal tax offences are maintained and use of technology makes it available on real time basis.



Maturity Levels		Emerging	Progressing	Established	Aspirational
		prosecution commenced, number of cases where conviction obtained, number of acquittals, fine imposed for criminal violations of tax laws.  Manual process for storing data.	information with domestic agencies, exchange of information with treaty partners etc.  Information technology used in a limited way to store and manage data.	Use of case management system to store data and use of dashboard for efficient retrieval of information.	
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Review Process	Some ad-hoc review of the fulfilment of the objectives of the strategy but no systematic approach followed  The agency gathers some basic information about the use of existing powers and the main reasons for success or failure of enforcement process. Lessons are learnt by individual decision makers but are not systematically disseminated.	More systematic review of the objectives, risk assessment framework, intelligence sources, outcome of the strategy, undertaken annually but analysis does not lead to course correction without sufficient time lags  Reviews of cases are undertaken and results fed back into improving internal processes, including training and guidance.  The agency undertakes detailed analysis of overall weaknesses in the legislative framework and makes detailed recommendations to policy makers.	There are periodic internal reviews both within and outside the agency including the policy makers and course correction strategies are put in place to respond to emerging risks, taking into account the existing gaps.  The agency undertakes periodic full reviews of the adequacy of the legal framework, the effectiveness of its application and outcomes including wider perceptions of fairness and the deterrence effect.  Transparent and detailed recommendations are made for internal improvements and legal changes.	A sophisticated review mechanism in place supported by statistical analysis, predictive modelling and artificial intelligence to access information on real time basis and respond proactively, following a whole of government approach.  In addition to periodic reviews, increasing use is made of advanced analytics <sup>4</sup> and artificial intelligence to enhance the real-time understanding of the robustness, perceived fairness and proportionality of the legal framework and its application.  Advanced analytics used for analysis of data for tax compliance management, trend analysis, pattern of illicit financial flows and policy formulation.

<sup>4</sup> Advanced analytics refers to a set of statistical insights and practices that can help distil insight and clarity from large masses of information. See OECD (2016), *Advanced Analytics for Better Tax Administration: Putting Data to Work*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264256453-en>.

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				

### Principle 3: Have adequate investigative powers

26. Successful investigations are paramount to uncovering tax crimes and the eventual prosecution or deterrence of such crimes. Jurisdictions at established levels of maturity are evidenced to have adequate investigative powers to successfully investigate tax crimes, including powers to obtain third party documents, search & seizure including digital evidence, intercept mail & telecommunication, interview, conduct covert surveillance, conduct undercover operations, and effect arrest. Principle 3 also has direct connection with Principle 10 in jurisdictions at the established level. The protection of suspects' rights is necessary to obtain quality evidence and ensure integrity of investigations and the tax crime investigative agency.

27. While moving to higher levels maturity, jurisdictions will expand legal powers to investigate and limit undue restrictions and cumbersome processes of authorisation. Jurisdictions at high levels of maturity will have adequate powers with reasonable restrictions and ample procedural safeguards for preventing abuse of power, with robust processes in place for imparting flexibility to enhance the investigative capability in a changing operational environment.



Maturity Levels		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
3.1 Investigative powers	a. Powers to obtain third party documentary information	Limited powers granted with several restrictions and a cumbersome process of authorisation, lack of established protocol that makes it difficult to exercise the power in practice. Procedural safeguards for preventing potential abuse of power are not clearly defined.	Adequate powers granted but certain restrictions still remain in respect of certain third parties, but process of authorisation is streamlined. Basic procedural safeguards established, but oversight is limited.	Adequate powers granted with reasonable restrictions on third party documents, with extensive procedural safeguards and sufficient oversight	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Powers to search property and to search and seize physical evidence</b>	Limited powers granted to search with several restrictions regarding access to property or seizure of documents and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural safeguards for abuse of power are not clearly defined.	Adequate powers granted but certain restrictions still remain in respect of access to property or seizure of documents but process of authorisation is streamlined. Basic procedural safeguards established, but oversight is limited.	Adequate powers granted with reasonable restrictions on access to property or seizure of documents, with extensive procedural safeguards for with sufficient oversight	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
	<b>c. Powers to search and seize digital evidence</b>	Limited powers granted to search and seize digital evidence with several restrictions and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural safeguards for abuse of power are not clearly defined.	Adequate powers granted but certain restrictions still remain in respect of seizure of digital evidence and assets but process of authorisation is streamlined and detailed operational guidelines issued. Basic procedural safeguards established, but oversight is limited.	Adequate powers granted with reasonable restrictions on seizure of digital evidence and assets, with extensive procedural safeguards and sufficient oversight.	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
	<b>d. Powers to interview</b>	Limited powers granted to interview a suspect, accused and a witness with several restrictions and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural	Adequate powers granted to interview a suspect, accused and a witness but certain restrictions still remain in admissibility of oral evidence and process of authorisation is streamlined and detailed	Adequate powers granted to interview a suspect, accused and a witness with reasonable restrictions on admissibility of oral evidence, with extensive procedural safeguards and sufficient oversight.	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make

Maturity Levels		Emerging	Progressing	Established	Aspirational
		safeguards for abuse of power are not clearly defined.	operational guidelines issued. Basic procedural safeguards established, but oversight is limited.		amendments due to change in the operational environment
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>e. Powers to intercept mail and telecommunications</b>	Limited powers granted to intercept mail and telecommunications either directly or indirectly, with several restrictions and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural safeguards for abuse of power are not clearly defined.	Adequate powers granted either directly or indirectly, but certain restrictions still remain in respect of coverage of interceptions and process of authorisation is streamlined and detailed operational guidelines issued. Basic procedural safeguards established, but oversight is limited.	Adequate powers granted either directly or indirectly, with capacity to intercept mail, phone, social media, online chat, e-mail, other types of interceptions including communications using dark web, with reasonable restrictions and extensive procedural safeguards with sufficient oversight.	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>f. Powers to conduct covert surveillance</b>	Limited powers granted either directly or indirectly to conduct covert surveillance with several restrictions and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural safeguards for abuse of power are not clearly defined.	Adequate powers granted either directly or indirectly but certain restrictions still remain in respect of places covered and methods used in such surveillance and process of authorisation is streamlined and detailed operational guidelines issued. Basic procedural safeguards established, but oversight is limited.	Adequate powers granted either directly or indirectly with extensive coverage of places to be covered, methods to be used, with reasonable restrictions and extensive procedural safeguards with sufficient oversight.	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>g. Powers to conduct undercover operations</b>	Limited powers granted either directly or indirectly to conduct undercover operations with several restrictions and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural safeguards for abuse of power are not clearly defined.	Adequate powers granted either directly or indirectly to conduct undercover operations but certain restrictions still remain and process of authorisation is streamlined and detailed operational guidelines issued. Basic procedural safeguards established, but oversight is limited.	Adequate powers granted either directly or indirectly to conduct undercover operations with reasonable restrictions with extensive procedural safeguards and sufficient oversight.	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>h. Powers to arrest</b>	Arrest power granted either directly or indirectly with several restrictions and a cumbersome process of authorisation that makes it difficult to exercise the power in practice. Procedural safeguards for abuse of power are not clearly defined.	Adequate arrest powers granted either directly or indirectly with a few restrictions and process of authorisation is streamlined and detailed operational guidelines issued. Basic procedural safeguards established, but oversight is limited.	Adequate Arrest powers granted either directly or indirectly with reasonable restrictions with extensive procedural safeguards and sufficient oversight.	Power affirmed in law and procedures governing when and how the power should be used in practice are clear and well communicated to competent authorities through guidance and training. Review mechanism imparts flexibility to make amendments due to change in the operational environment
	Evaluation				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
3.2 Use of investigative powers in practice: Constraints affecting effectiveness	a. Legal framework, process and operational constraints	<p>Legal, operational and process barriers prevent competent authorities from utilising the investigative powers available to them in law. Prevailing bribery and corruption adversely affect exercise of investigative powers.</p> <p>Lack of authorization for departure prohibition orders and preservation orders, or a cumbersome procedure for these orders, allows for evasion of justice in certain cases.</p>	<p>Constraints to the investigative powers approval process are being eased. Legal framework gaps exist, such as an insufficient treaty network for strategic information gathering, and these gaps negatively affect investigations in practice.</p> <p>A manual of techniques of investigation is prepared but not used regularly by the investigators.</p> <p>Administrative checks against bribery and corruption have been put in place but it continues to be a risk.</p> <p>Departure prohibition orders and preservation orders can be authorized, but procedural delays for these orders sometimes allows for evasion of justice in certain cases.</p>	<p>Enhanced inter-agency co-operation and international treaty network with all the strategic partners having broad areas of collaboration.</p> <p>A manual of techniques of investigation is prepared and updated on a regular basis and used by the investigators.</p> <p>Mechanism put in place to evaluate the defined outcomes for analysis of performance with the help of a case management tool, tracking the life cycle of an investigation and generating relevant statistics.</p> <p>A streamlined process of authorizing departure prohibition orders and preservation orders in relevant cases prevents evasion of justice.</p>	<p>A robust review mechanism is in place supported by advance analytics that allows regular analysis of the defined outcomes achieved through exercise of the investigative powers, with flexibility to respond to changing circumstances.</p> <p>Administrative checks are in place so that bribery and corruption of tax crime investigators is almost non-existent.</p> <p>Cooperation internationally with customs and entry officials, including INTERPOL, allows for proper enforcement of departure prohibition orders and other legal matters.</p>
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Technological and resource constraints	<p>Technological and resources constraints act as major barriers to investigation.</p>	<p>The use by IT tools by officials and training to investigators is developing. Statistics on defined outcomes, such as, number of investigation conducted, time taken for completion, fines imposed &amp; collected, conviction obtained, assets recovered, are</p>	<p>Proactive steps have been taken to address all the constraints to investigations through adequate financial, IT, and training support.</p>	<p>Technology and resources are frequently adapted to service high-tech investigative needs, even for the most novel forms of tax crimes.</p>




Maturity Levels		Emerging	Progressing	Established	Aspirational
			prepared but there is no systematic analysis of performance.		
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Comments/ Evidence				

#### Principle 4: Have effective powers to freeze, seize, and confiscate assets

28. The ability of tax crime enforcement authorities to interrupt the movement of assets and recover proceeds of crime connected to suspected criminal activity can be essential in identifying or preventing an offence from occurring. Jurisdictions at the established level are evidenced to have effective powers, either directly or indirectly through other enforcement agencies, to freeze, seize, and confiscate assets in the course of a tax crime investigation in a timely and efficient manner. These powers are backed by the necessary operational framework and a monitoring mechanism for ensuring transparency and integrity of the process, while protecting the rights of the suspects. Effective powers under this Principle are also co-ordinated with Principle 9, as effective powers regarding asset recovery are necessary to improve results of international co-operation and enforce foreign state's freezing orders. Furthermore, effective asset recovery is often supported by a dedicated unit in the organisational structure and strong protection of suspect rights, which is evaluated in this model in Section 5.4 of Principle 5 and Principle 10.

29. As jurisdictions move to higher levels of maturity, they expand legal powers regarding recovery of assets, remove undue restrictions, improve cumbersome processes of authorisation, and establish protocol. Monitoring mechanisms exist in mature levels for preventing abuse of power, with robust processes in place for optimizing use of these powers in a changing operational environment.

					
Maturity Level		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
4.1 Freezing of assets in connection with suspected tax crime	a. Legal framework for domestic cases	Limited powers exist to freeze assets connected to suspected tax crime, but laws are ineffective due to excessive restrictions and a cumbersome process of authorisation (i.e. a high financial threshold, high threshold for prison term for eligibility, operational for a short duration, authorisation process is highly centralised and no provision	Adequate powers exist to freeze assets connected to suspected tax crime (including rapid freezing orders within 24-48 hours). The process of authorisation is streamlined and extended to various crime instruments; the financial threshold is lowered but legislative barriers still impede effective use of these powers in practice (e.g.	Effective powers exist to freeze suspected assets connected to tax crime. Legal barriers are minimized and can adapt to a changing operational environment, with adequate procedural safeguards for ensuring transparency and preventing potential abuse of power.	Strategic threat assessment and behavioural insights <sup>5</sup> are increasingly used to enhance real-time understanding of the changing requirements due to change in operational environment and new emerging risks, such as crypto-currencies, imparting flexibility to amend the legal framework.

<sup>5</sup> Behavioural insights refers to inductive approach to policy making that combines insights from psychology, cognitive science, and social science with empirically-tested results to discover how humans actually make choices (OECD). See <https://www.oecd.org/gov/regulatory-policy/behavioural-insights.htm>

Maturity Level		Emerging	Progressing	Established	Aspirational
		for rapid freezing, restricted to only proceeds of crime etc.).  Law does not provide for 3 <sup>rd</sup> party freezing of proceeds of crime.	threshold of proof for obtaining a freezing order is very high, high eligibility threshold based on prison term).  Law now provides for 3 <sup>rd</sup> party freezing of proceeds of crime.		
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal framework for enforcement of foreign state's / court's freezing orders</b>	Legal framework for international cooperation exists but breadth of coverage does not cover implementation of foreign states/courts freezing orders.	Breadth of coverage is extended to cover implementation of foreign states/courts freezing orders from a very limited set of jurisdictions.	Breadth of coverage is extended to cover enforcement of foreign state's / court's freezing orders from all the strategic partner jurisdictions.	Database of freezing orders from all the strategic partners are analysed to take informed decisions on risk assessment and development of strategy for countering illicit financial flows.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Operational framework</b>	Procedures for the freezing of assets in connection with suspected tax crime lack clarity due to absence of a manual for recovery of asset with a set of guidelines. No monitoring mechanism in place.	Manual for recovery of assets is in place, setting out the circumstances warranting freezing orders and procedures for the freezing of assets in connection with suspected tax crimes including enforcement of freezing orders of foreign state's / court's and a monitoring mechanism, but still subject to insufficient monitoring or review.	Comprehensive procedures for the freezing of assets in connection with suspected tax crimes including enforcement of freezing orders of foreign state's / court's that are subject to ongoing monitoring or review. Processes are adapted based on past experiences.	Strategic threat assessments and behavioural insights are increasingly used to enhance real-time understanding of the changing requirements due to change in operational environment and new emerging risks, for making informed decision on regular updating of the operational framework. Standard

Maturity Level		Emerging	Progressing	Established	Aspirational
					operating procedures (SOP) are adapted for new phenomenon or threats such as cryptocurrencies, etc.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	d. Use of freezing powers in practice	Competent authorities freeze assets in connection with suspected tax crime cases in a very limited number of cases on an ad hoc basis.	Competent authorities freeze assets in connection with a substantial number of suspected tax crime cases including implementation of foreign states/courts freezing orders from a very limited number of jurisdictions but statistics with details of freezing orders, follow up action, details of assets frozen, extension orders etc. are not systematically maintained for effective monitoring.	Competent authorities freeze assets in all appropriate cases of suspected tax crime cases including implementation of foreign states/courts freezing orders from all the strategic partner jurisdictions in line with procedures governing the freezing of such assets. Database of freezing orders, details of assets frozen and follow up action is maintained for regular monitoring.  Freezing of assets aided by financial intelligence, domestic sharing of information with other agencies and international exchange of information.	Competent authorities carefully carry out analysis using strategic threat assessment and behavioural insights, to verify the effectiveness of the legal and operational framework for making improvement.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Level		Emerging	Progressing	Established	Aspirational
4.2 Seizure of assets in connection with suspected tax crime	a. Legal framework for domestic cases	Limited powers exist to seize assets connected with suspected tax crime but laws are difficult to apply in practice due to excessive restrictions and a cumbersome authorisation process (i.e. high financial threshold, high threshold for prison term for eligibility, operational for a short duration, authorisation process is highly centralised, restricted to only proceeds of crime, etc.).	Adequate powers exist to seize assets from suspected tax crime. The process of authorisation is streamlined and extended to various crime instruments; the financial threshold is lowered but legislative barriers impede effective use of these powers in practice (e.g. threshold of proof for obtaining a seizure order is very high, high threshold for prison term for eligibility).	Effective powers exist to seize assets from suspected tax crime. Legal barriers are minimized and can adapt to a changing operational environment, with adequate procedural safeguards for ensuring transparency and preventing potential abuse of power.	Strategic threat assessments and behavioural insights are increasingly used to enhance real-time understanding of the changing requirements due to change in operational environment and new emerging risks, imparting flexibility to amend the legal framework.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Legal framework for enforcement of foreign state's / court's seizure orders	Legal framework for international cooperation exists but breadth of coverage does not cover implementation of foreign states/court seizure orders.	Breadth of coverage is extended to cover implementation of foreign states/courts seizure orders from a very limited set of jurisdictions.	Breadth of coverage is extended to cover enforcement of foreign state's / court's seizing orders from all the strategic partner jurisdictions.	Database of seizing orders from all the strategic partners are analysed to take informed decision on risk assessment and development of strategy for countering illicit financial flows.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Level		Emerging	Progressing	Established	Aspirational
	<b>c. Operational framework</b>	Procedures for the seizing of assets in connection with suspected tax crime lack clarity due to absence of a manual for recovery of asset with a set of guidelines.  No monitoring mechanism in place.	Manual for recovery of assets is in place, setting out the circumstances warranting seizing orders and procedures for the seizing of assets in connection with suspected tax crimes including enforcement of seizure orders of foreign state's / court's and a monitoring mechanism but still subject to insufficient monitoring or review.	Comprehensive procedures for the seizing of assets in connection with suspected tax crimes including enforcement of seizure orders of foreign state's / court's, supervisory mechanism, transparency of process, safe custody of assets, that are subject to ongoing monitoring or review.	Strategic threat assessments and behavioural insights are increasingly used to enhance real-time understanding of the changing requirements due to change in operational environment and new emerging risks, for making informed decision on regular updating of the operational framework.  Standard operating procedures (SOP) are adapted for new phenomenon or threats such as cryptocurrencies, etc.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
	<b>d. Use of seizure powers in practice</b>	Competent authorities seize assets in connection with suspected tax crime cases in a very limited number of cases on an ad hoc basis.	Competent authorities seize assets in connection with a substantial number of suspected tax crime cases including implementation of foreign states/courts seizing orders from a very limited jurisdictions but statistics with details of seizing orders, follow up action, details of assets seized, extension orders etc. are not systematically maintained for effective monitoring.	Competent authorities seize assets in all appropriate cases of suspected tax crime cases including implementation of foreign states/courts seizing orders from all the strategic partner jurisdictions in line with procedures governing the seizing of such assets. Database of seizing orders, details of assets seized and follow up action is maintained for regular monitoring.  Seizure of assets aided by financial intelligence, domestic sharing of information with other agencies and international exchange of information.	Competent authorities carefully carry out analysis using strategic threat assessment and behavioural insights, to verify the effectiveness of the legal and operational framework for making improvement.

Maturity Level		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
4.3 Confiscation of assets in connection with tax crime	a. Legal framework for domestic cases	Limited powers exist to confiscate assets from tax crime, but laws are difficult to apply in practice due to excessive restrictions and/or a cumbersome process of authorisation (i.e. high financial threshold, high threshold for prison term for eligibility, authorisation process is highly centralised, restricted to only proceeds of crime etc.).  Law does not provided for value-based <sup>6</sup> , third party <sup>7</sup> and extended confiscation <sup>8</sup> .	Adequate powers exist to confiscate assets from tax crime. The process of authorisation is streamlined and extended to various crime instruments; the financial threshold is lowered but legislative barriers still impede effective use of these powers in practice (e.g. threshold of proof for obtaining a confiscation order is very high, high eligibility threshold based on prison term).  Law now provides for value-based confiscation based on conviction.	Effective powers for confiscation of assets from suspected or proven tax crimes. Legal barriers are minimized and can adapt to a changing operational environment, with adequate procedural safeguards for ensuring transparency and preventing potential abuse of power.  Law now provides for value-based, third party and extended confiscation, as well as non-conviction based confiscation.	Strategic threat assessment and behavioural insights are increasingly used to enhance real-time understanding of the changing requirements due to change in operational environment and new emerging risks, imparting flexibility to amend the legal framework.
	Evaluation				

<sup>6</sup> Value based confiscation is a method of confiscation that enables a court to impose a pecuniary liability equivalent to the amount of the criminal proceeds (OECD Ten Principles 2<sup>nd</sup> Edition).

<sup>7</sup> Third party confiscation is a measure made to deprive someone other than the offender – the third party – of criminal property. This applies where that third party is in possession of assets which are knowingly transferred to him/her by the offender to frustrate confiscation (OECD Ten Principles 2<sup>nd</sup> Edition).

<sup>8</sup> Extended confiscation involves not only confiscating property associated with a specific crime, but also additional property which the court determines constitutes the proceeds of other crimes (ibid.).



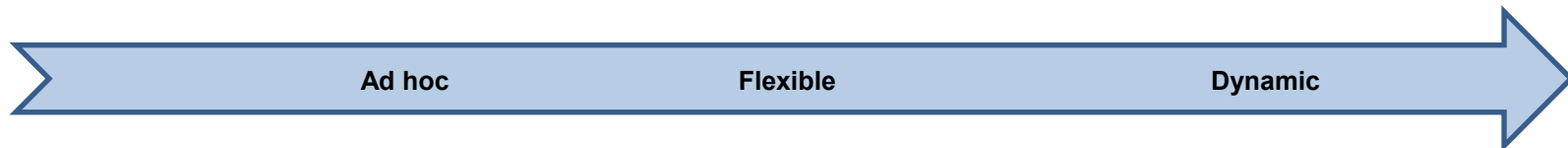
Maturity Level		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal framework for enforcement of foreign state's / court's confiscation orders</b>	Legal framework for international cooperation exists but breadth of coverage does not cover implementation of foreign states/courts confiscation orders.	Breadth of coverage is extended to cover implementation of foreign states/courts confiscation orders from a very limited set of jurisdictions.	Breadth of coverage is extended to cover enforcement of foreign state's / court's confiscation orders from all the strategic partner jurisdictions.	Database of confiscation orders from all the strategic partners are analysed to take informed decision on risk assessment and development of strategy for countering illicit financial flows.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Operational framework</b>	Procedures for the confiscation of assets in connection with suspected tax crime lack clarity due to absence of a manual for recovery of asset with a set of guidelines.  No monitoring mechanism in place.	Manual for recovery of assets is in place, setting out the circumstances warranting confiscation orders and procedures for the confiscation of assets in connection with suspected tax crimes including enforcement of confiscation orders of foreign state's / court's and a monitoring mechanism but still subject to insufficient monitoring or review.	Comprehensive procedures for the confiscation of assets in connection with suspected tax crimes including enforcement of confiscation orders of foreign state's / court's, supervisory mechanism, transparency of process, safe custody of assets, that are subject to ongoing monitoring or review.	Strategic threat assessments and behavioural insights are increasingly used to enhance real-time understanding of the changing requirements due to change in operational environment and new emerging risks, for making informed decision on regular updating of the operational framework.  Standard operating procedures (SOP) are adapted for new phenomenon or threats such as cryptocurrencies, etc.
	Evaluation				

Maturity Level		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	d. Use of confiscation in practice	Competent authorities confiscate assets in connection with suspected tax crime cases in a very limited number of cases on an ad hoc basis	Competent authorities confiscate assets in connection with a substantial number of suspected tax crime cases including implementation of foreign states/courts confiscation orders from a very limited jurisdictions but statistics with details of confiscation orders, follow up action, details of assets confiscated, repatriation of confiscated assets etc. are not systematically maintained for effective monitoring	Competent authorities confiscate assets in all appropriate cases of suspected tax crime cases including implementation of foreign states/courts confiscation orders from all the strategic partner jurisdictions in line with procedures governing the confiscation of such assets. Database of confiscation orders, details of assets confiscated and follow up action including repatriation of assets is maintained for regular monitoring  Confiscation of assets aided by financial intelligence, domestic sharing of information with other agencies and international exchange of information	Competent authorities carefully carry out analysis using advanced analytics and behavioural insights, to verify the effectiveness of the legal and operational framework for making improvement
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				

## Principle 5: Put in place an organisational structure with defined responsibilities

30. Organisational structures with defined responsibilities lead to higher effectiveness in strategy formulation, interagency co-operation and following a Whole of Government Approach. Jurisdictions at the established level are evidenced to have organisational models with defined responsibilities mandated by law. These defined responsibilities include prevention, detection, investigation, and recovery of assets, with independence and clear operational arrangements pertaining to decision-making responsibility, supervision, availability of resources and accountability.

31. A jurisdiction moves to higher levels of maturity as it implements clear cut responsibilities mandated by law, optimises its operational framework, and develops robust processes which can adapt dynamically to the changing operational environment.



Maturity Levels		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
5.1 Organisational model for prevention & detection	a. Legal mandate	No dedicated unit exists for intelligence gathering for prevention and detection of tax crime in the agency and the Legal mandate does not explicitly assign specific role for intelligence gathering.	A dedicated unit created within the agency and the Legal mandate assigns a specific role with defined responsibilities to the unit for intelligence gathering for prevention and detection of tax crimes, with limited powers to access information from diverse sources.	Legal mandate empowers the unit with legal powers for accessing diverse sources and legal gateways for exchange of information with other agencies.	Legal mandate facilitates creation of Multi-agency Task Force (i.e. a joint intelligence centre) for generating synthesised actionable intelligence is set up with combined resources from multiple stakeholders.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Operational framework	Operational framework provides instructions for certain ad hoc arrangements for prevention and	Operational framework includes allocation of certain resources, responsibilities and a set of guidelines	Operational framework have detailed guidelines for intelligence gathering including inter-agency co-ordination	An executive committee composed of agency heads supervises the functioning of the Multi-agency Task

Maturity Levels		Emerging	Progressing	Established	Aspirational
		detection of tax crimes.	for intelligence gathering and use of analytical processes, but intelligence gathering for detection and prevention of crimes is not part of an overall strategy.  There exists basic and intermediary training of intelligence personnel.	and use of analytical methods for generating actionable intelligence  Detection and prevention of tax crimes is part of the overall risk management strategy, adequate resources are dedicated to this activity.  Early warning system for detection and prevention of tax crime is implemented.  High level intelligence training imparted to the intelligence personnel.	Force with a clear set of guidelines and drives the mission. A monitoring mechanism guides adaptation to changing operational environment.  High level training imparted to the intelligence personnel with focus on effective inter-agency coordination for intelligence gathering and use of intelligence.  Multi-agency task force operates to a high degree of efficiency.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
5.2 Organisational model for investigation	a. Legal mandate	No dedicated investigation unit exists for criminal tax investigation, untrained personnel conduct certain investigations and the legal mandate does not explicitly assign specific role for criminal tax investigation.	A dedicated unit created and the Legal mandate assigns a specific role to the unit for investigation of tax crimes, with adequate investigative powers but limited inter-agency co-operation with other enforcement agencies.	Legal mandate empowers the unit with adequate legal investigative powers and legal gateways for co-operating with other enforcement agencies for exchange of information as well as for joint investigation.	Multi-agency task force for conducting joint investigation is set up with combined resources from multiple stakeholders.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Operational framework	Operational framework provides instruction for certain ad hoc arrangements for tax crime	Operational framework includes allocation of certain resources, responsibilities and a set of guidelines	Operational framework have details guidelines for investigation including formal arrangement for inter-agency	An executive committee composed of agency heads supervises the functioning with a clear set of

Maturity Levels		Emerging	Progressing	Established	Aspirational
		investigation.	for investigation with the help of a techniques of investigation manual but not regularly used by investigators, investigation strategy is only partly aligned with the national strategy.	co-ordination.  Tax crime investigation is part of the national risk management strategy, adequate resources are dedicated to this activity.	guidelines and drives the mission. A monitoring mechanism guides adaptation to changing operational environment. Multi-agency task force operates to a high degree of efficiency.
	Evaluation				
	Supporting Comments/ Evidence				
	c. Protection from undue influence	Law guarantees protection from undue influence during tax crime investigations but perceptions of undue influence in investigations are common.	Law guarantees protection from undue influence during tax crime investigations and occasional reports or perceptions of undue influence in investigations do exist.	Law guarantees protection from undue influence during tax crime investigations and reports or perceptions of undue influence in tax crime investigations are rare.	Law guarantees protection from undue influence during tax crime investigations and reports or perceptions of undue influence in tax crime investigations are non-existent or if they occur are swiftly addressed.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
5.3 Organisational model for prosecution	a. Legal mandate	Organisational model for prosecution of tax crime lacks clear allocation of responsibilities and/or defined governance arrangements. Courts and prosecutors are insufficiently specialized in tax crimes.	Organisational model for the prosecution of tax crimes includes allocation of responsibilities but improvements required to increase efficiency and reduce duplication of efforts. Courts and prosecutors are increasing in specialization for tax crime cases.	Organisational model for the prosecution of tax crimes provides a clear allocation of responsibilities that promote efficiency and reduce duplication of efforts. Specialized courts and prosecutors prosecute tax crime cases.	Organisational model for the prosecution of tax crimes provides a clear allocation of responsibilities and defined governance arrangements with flexibility to adapt organisation to respond to emerging risks. Specialized courts and prosecutors regularly review legal framework to adapt to new developments in the Operating Environment

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Operational framework</b>	Procedures governing tax crime prosecutions lack clarity and/or are subject to insufficient monitoring and review. Courts and prosecutors are insufficiently specialized in tax crimes.	Procedures governing tax crime prosecutions are well defined, but subject to insufficient monitoring or review. Courts and prosecutors are increasing in specialization for tax crime cases.	Procedures governing tax crime prosecutions are well defined and subject to ongoing monitoring and review. Specialized courts and prosecutors prosecute tax crime cases.	Procedures governing tax crime prosecutions are well defined and subject to ongoing monitoring and review and informs need for emerging developments. Specialized courts and prosecutors regularly review legal framework to adapt to new developments in the Operating Environment.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Protection from undue influence</b>	Law guarantees protection from undue influence during tax crime prosecutions but gaps remain and/or reports or perceptions of undue influence in prosecutions are common.	Law guarantees protection from undue influence during tax crime prosecutions and reports or perceptions of undue influence in prosecutions are not common.	Law guarantees protection from undue influence during tax crime prosecutions and reports or perceptions of undue influence in prosecutions are rare.	Law guarantees protection from undue influence of tax crime prosecutions and reports or perceptions of undue influence in prosecutions are non-existent or if they occur are swiftly addressed.
	Evaluation				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
5.4 Organisational model for recovery of assets	a. Legal mandate	No dedicated unit exists for recovery and management of assets and limited legal powers to recover assets from tax crime by way of freezing, seizing and confiscation.  Laws are difficult to apply in practice due to severe restrictions.	A dedicated unit exists for recovery and management of assets and adequate powers exist to recover of asset connected to suspected tax crime by way of freezing, seizing and confiscation.	Effective powers exist to recover and manage assets from suspected tax crime.  Operational framework provides for flexibility to adapt to a changing operational environment with adequate procedural safeguards for ensuring transparency and preventing potential abuse of power.	Multi-agency Task Force for recovery of assets is set up with combined resources from multiple stakeholders. An executive committee composed of agency heads supervises the functioning of the Multi-agency Task Force with a clear set of guidelines and drives the mission. A monitoring mechanism guides adaptation to changing operational environment. Multi-agency task force operates to a high degree of efficiency.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Operational framework	Absence of guidelines in the form of a manual for asset recovery, makes the process ad hoc and hinders asset recovery work.	Manual for recovery of assets is in place, with a set of guidelines, leading to better asset recovery work but the process is still subject to insufficient monitoring or review.	Recovery of assets aided by financial intelligence, domestic sharing of information with other agencies and international exchange of information on a formal basis.	An executive committee composed of agency heads the Multi-agency Task Force and supervises the functioning of the Task Force with a clear set of guidelines and monitoring mechanism to dynamically adapt to changing environment. A multi-agency task force operates to a high degree of efficiency.
	Evaluation				



Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				

## Principle 6: Provide adequate resources for tax crime investigations

32. Jurisdictions require adequate resources, either directly or indirectly through other enforcement agencies, to successfully detect, prevent, investigate and recover proceeds of tax crimes. At the established maturity level, efficient resource allocations are tailored to the operating environment of the jurisdiction, and cover financial, human, infrastructure, organisational & strategic, data, and technology resources.

33. A pathway to higher levels of maturity represents a movement from evolution of the agency from very limited access to resources, to access to adequate resources including adequately trained staff with the requisite skill-sets and tools for responding to challenge of the globalisation of criminal activity.



Maturity Levels		Emerging	Progressing	Established	Aspirational
		Indicative Attributes			
6.1 Adequate resources for detection, prevention, investigation and recovery of assets	a. Financial resources	A separate budget allocated on an ad hoc basis, not based on analysis of the requirements of the agency to address challenges of prevention & detection, investigation and recovery of asset. Lack of flexibility to address insufficiency of resources.	A separate budget allocated based on an analysis of the requirements, for conducting risk assessment and implementing risk mitigation strategy, but with limited flexibility to respond to emerging requirements.	A separate budget allocated with an analysis of the requirements for both operational and capital investments, based on the risk assessment and risk mitigation strategy.  Periodic reviews conducted with flexibility to respond to emerging requirements.	Budget preparation is based on national risk assessment and mitigation strategy with joint operations and accountability with other enforcement agencies.  Regular reviews conducted with flexibility to respond to emerging requirements and proactively engage necessary financial resources to understand future risks.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Human resources</b>	Staffing decisions are made on an ad hoc basis without analysis of requirements of size of the team and requisite skill sets (e.g. financial accounting forensic accounting, lawyers, practical experience in intelligence gathering, investigation, asset recovery, case management etc.).	Staffing decisions are made based on an analysis of requirements of size of the team and relevant skill sets, informed by the risk assessment and risk mitigation strategy.  A staff recruitment policy has been initiated with job descriptions and requisite qualifications.	More flexibility is introduced into the recruitment process by allowing for recruitment of skilled personnel from other enforcement agencies on secondment basis aligned with the risk assessment and mitigation strategy.  A staff recruitment policy has been initiated with job descriptions and requisite qualifications.	Recruitment of personnel policy is aligned to the national risk assessment and mitigation strategy and guided by joint operations in respect of prevention & detection and recovery of assets with joint accountability. Employee satisfaction and work-life balance is an integral part of the declared HR policy.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
	<b>c. Training</b>	A basic training policy is in place but neither based on analysis of training needs and complexities of tax crimes. Some ad-hoc training programmes are conducted.	A comprehensive training policy is in place based on analysis of training needs informed by risk assessment and mitigation strategy.  A structured training programme is implemented including multi-agency training.  No specific allocation of budget made for training.	A structured mandatory training programme is implemented which combines foundational, intermediary and specialty courses for officials of different levels of seniority with a regular calendar in a designated academy.  Curriculum reflects the risk assessment and mitigation strategy including an international training component.  Specific allocation of budget made for training.  International trainings and exchange is facilitated and encouraged.	Continuous professional development through various activities is made part of the structured training. Professionals gain exposure to joint operations with other agencies domestically and internationally. On-the-job training in emerging specialty areas (i.e. crypto-assets) is offered.
	<b>Evaluation</b>				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	d. Infrastructure resources	Arrangements to acquire necessary resources are ad-hoc.	Specific requirements of the agency are informed by the risk assessment and strategy. Resulting acquired resources include forensic tools.	Resources are informed by the risk assessment and strategy and optimised with the capacity of other agencies. A formal resource-sharing arrangement and cost sharing arrangements are put in place, reflecting perceived risks and resource-intensity of the mitigation plan.	<p>The national risk assessment and mitigation plan inform the infrastructure requirements and joint operations between enforcement agencies, resulting in optimal infrastructure use. These resources include joint intelligence centres, common communication platforms and a well-equipped forensic lab including public-private partnership facilities.</p> <p>An executive committee composed of agency heads of the Multi-agency Task Force enters into a formal agreement on resource sharing amongst the partner agencies.</p>
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	e. Organisational & strategic resources	<p>A very basic framework of domestic inter-agency co-operation is in place but not put to effective use.</p> <p>Agency has access to a few legal international instruments like Double Taxation Agreements (DTAs), Tax Information Exchange Agreements (TIEAs) but the treaty network is limited and not based on strategic consideration of trade and financial</p>	<p>A comprehensive framework of domestic inter-agency co-operation is in place and put to use in a limited spheres of joint activity beyond information sharing.</p> <p>Agency has expanded its treaty network by accessing more legal instruments, guided by strategic consideration of trade and financial relationship with its partners, but does not cover all the</p>	<p>A comprehensive framework of domestic inter-agency co-operation is in place, which is regularly reviewed for meeting the changing requirements of the respective agencies including establishment of special teams, if needed.</p> <p>Agency has extensive access to a variety of legal instruments, with a network of treaty partners covering all</p>	<p>The framework of domestic inter-agency co-operation is aligned with national priorities based on combined risk assessment and mitigation plan and explore possibilities for expanding the scope of co-operation as warranted by the changing operational landscape.</p> <p>The treaty network analysis and selection of legal instruments is based on strategic risk assessment</p>

Maturity Levels		Emerging	Progressing	Established	Aspirational
		relationship with its partners.	relevant jurisdictions.	the relevant jurisdictions, having strategic importance in terms of trade and financial relationships.	methodology, using financial secrecy level of treaty partners based on illicit financial flow channels of trade, foreign portfolio and direct investment.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	f. Access to data resources	<p>Single legal gateway permits access to domestic external databases but with restrictions, not amenable to bulk processing of data.</p> <p>No access to bulk international databases.</p>	<p>Access to domestic external databases have become more flexible with removal of certain restrictions and enforcement strategy partly aligned with other enforcement agencies but still not amenable to bulk processing. Most government agencies use the required national databases/e-platforms but there are insufficient integration.</p> <p>No access to bulk international databases.</p>	<p>Range of legal gateways available for accessing domestic external databases to meet the specific requirements of the enforcement agencies, whose risk mitigation strategies are now aligned. Better access to external databases facilitate bulk data processing. All required agencies use the e-platform correctly and securely.</p> <p>Participation in the Automatic Exchange of Information (AEOI) has facilitated access to a wide range of offshore financial information of tax residents.</p> <p>Confidentiality and data protection requirements follow the EOIR<sup>9</sup> and AEOI standards<sup>10</sup>.</p>	<p>A joint national risk assessment exercise, including a module for countering illicit financial flows, facilitates merging of domestic external databases, amenable to bulk processing in a joint intelligence centre.</p> <p>Access to a wide range of offshore financial information of tax residents facilitates bulk processing for both operational and strategic purposes.</p> <p>Confidentiality and data protection requirements follow the national/ International standards.</p>

<sup>9</sup> See C. Exchange of Information: Essential elements (pp. 23-26) <http://www.oecd.org/tax/transparency/global-forum-handbook-2016.pdf>

<sup>10</sup> See Core Requirement 3 of the Global Forum AEOI Terms of Reference. <https://www.oecd.org/tax/transparency/AEOI-terms-of-reference.pdf>

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	g. Data strategy	A basic data strategy developed and used in an ad hoc manner.	The data strategy is modified to incorporate to facilitate use of structured data for risk assessment, taxpayer profiling or case selection.	A well-developed data strategy exists both for structured and unstructured data sources, is being used for risk assessment, taxpayer profiling, and case selection.	The data strategy is now aligned with the joint national risk assessment and strategy for countering illicit financial flows, driven by joint intelligence centre and other multi-agency task forces. Data strategy is regularly revised to respond to emerging risks with a robust control framework.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	h. Technology resources	New technology resources acquired that enhances computational capacity but data processing applications not fully deployed. Use limited to investigation.	Data processing applications added to the technology resources but full potential not yet exploited. Use extended to cover investigation and detection.	Technology resources with high computational capacity and data warehouse and data mining tools used for prevention, detection, investigation and recovery of assets.	Fully integrated big data analytics platform used for developing national risk assessment and mitigation plan, prevention, detection, investigation, and recovery of assets, sharing resources with other enforcement agencies for cost effectiveness and efficiency, facilitated by e-filing of tax returns and other statements to the government.

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				

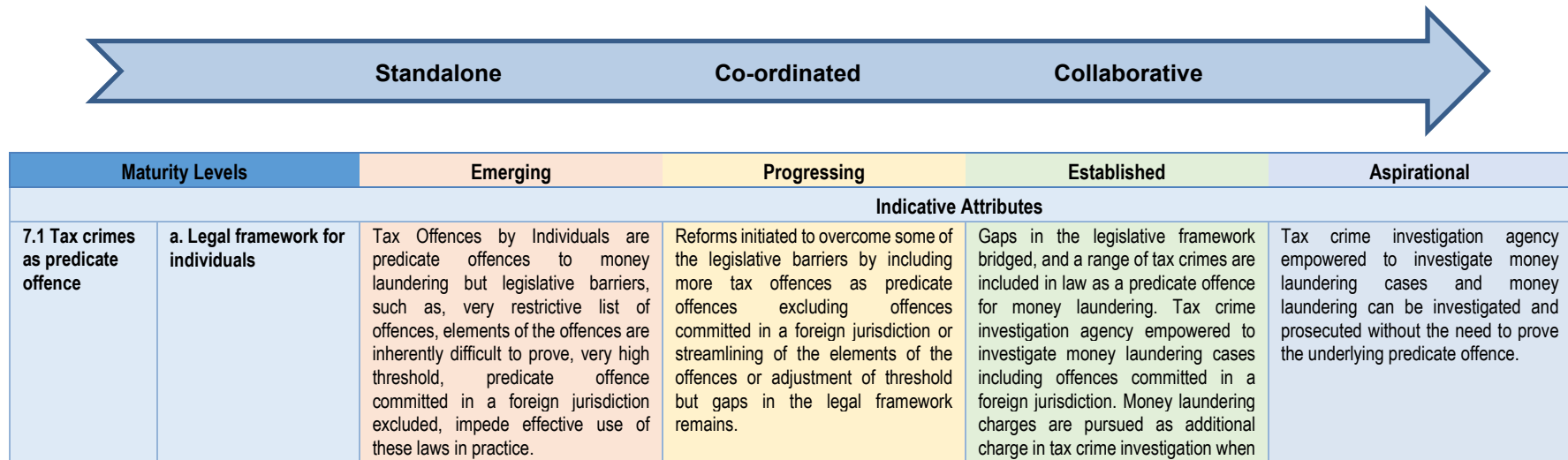


## Principle 7: Make tax crimes a predicate offence for money laundering

34. Designating tax crimes as one of the predicate offences for money laundering provides jurisdictions better access to financial intelligence domestically and provides mechanisms for international co-operation to the tax crime investigation agency, leading to detection, prevention and enhanced investigative capabilities and better inter-agency co-ordination both at operational and strategic levels. Where tax crimes are predicate offences to money laundering, the available avenues for international co-operation are expanded to include direct exchanges of information through national FIUs and mutual legal assistance between the competent authorities for the investigation and prosecution of tax crime in each jurisdiction. Jurisdictions at the established level are evidenced to designate tax crimes as predicate offences to money laundering and make effective use of the aforementioned benefits.

35. This Principle draws on the Financial Action Task Force (FATF) Recommendation 3, which calls for inclusion of tax crimes within the range of predicate offenses for money laundering.

36. A pathway to higher levels of maturity represents a movement from operations on a stand-alone basis to a collaborative arrangement. At the emerging level, the stand-alone operation has limited access to financial intelligence and hence limited capacity to utilise financial intelligence. The highest level of maturity includes an enhanced model of collaborative arrangement with private financial institutions and anti-money laundering authority, often leading to extended investigative capability and joint risk assessments.



Maturity Levels		Emerging	Progressing	Established	Aspirational
				necessary.	
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal framework for legal persons</b>	Tax offences by legal persons are predicate offences to money laundering but legislative barriers, such as, very restrictive list of offences, elements of the offences are inherently difficult to prove, very high threshold, impede effective use of these laws in practice.	Reforms initiated to overcome some of the legislative barriers by including more tax offences as predicate offences or streamlining of the elements of the offences or adjustment of threshold but gaps in the legal framework remains.	Gaps in the legislative framework bridged. Tax crime investigation agency empowered to investigate money laundering cases including offences committed in a foreign jurisdiction. Money laundering charges are pursued as additional charge in tax crime investigation when necessary.	Tax crime investigation agency empowered to investigate money laundering cases and money laundering can be investigated and prosecuted without the need to prove the underlying predicate offences.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
<b>7.2 Access to financial intelligence</b>	<b>a. Access to Suspicious Transaction Reports (STRs)<sup>11</sup> from the financial intelligence unit</b>	Legal framework permits the use of STRs but operational barriers make access to STRs restricted. Access to STRs not available during investigation of tax crime offence and may be made available on showing sufficient grounds for suspicion of money laundering.	Memorandum of Understanding signed between the authorities to foster closer co-ordination, use of single point of contact gives better access to STRs. FIU retains decision making on allocation of STRs.	FIU and tax crime investigation agency jointly make decision-making on allocation of STRs or unfettered independent access to STRs by the tax crime investigation agency with proper information security management system.  Tax crime investigation agency routinely accesses international STRs	Financial intelligence produced by the FIU or by other authorities through international cooperation channels (e.g. Egmont Group and FIU.NET) supports tax crime investigations and prosecutions in a <b>proactive</b> way, subject to appropriate data safety safeguards.  The FIU supports tax investigations

<sup>11</sup> STRs also include Suspicious Activity Reports (SARs) and Cash Transaction Reports (CTRs) and summaries of STRs prepared by FIU.

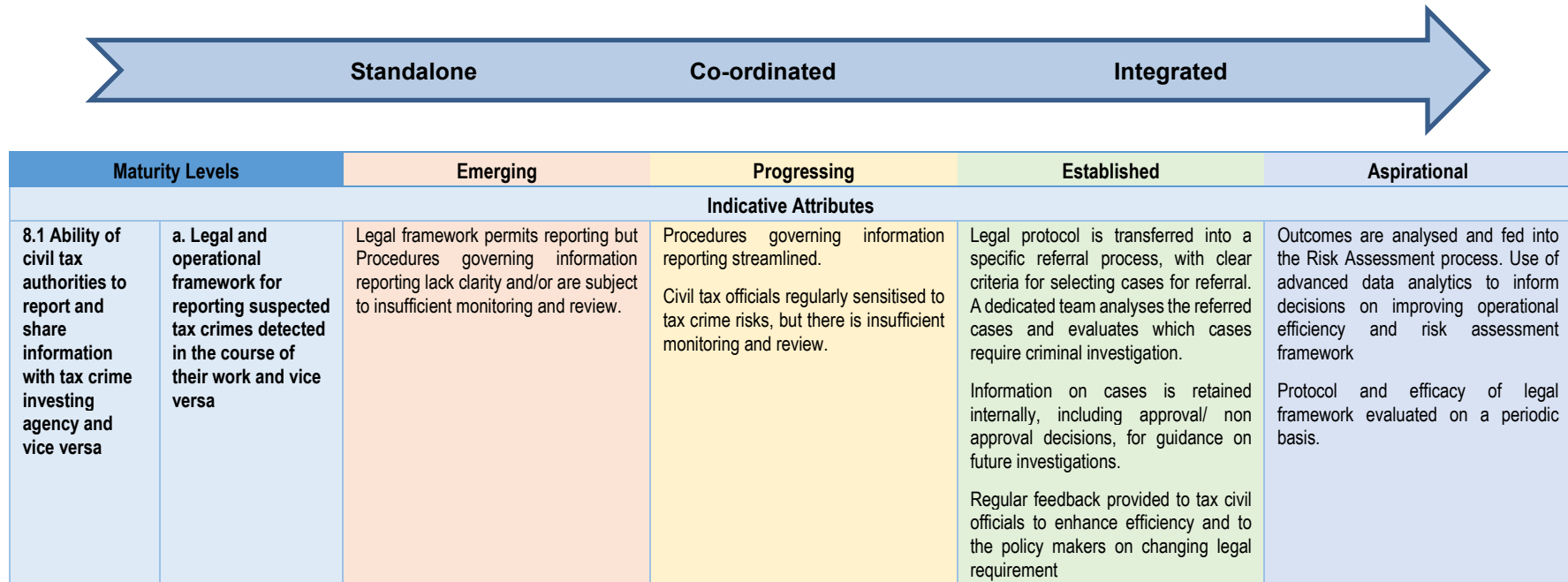
Maturity Levels		Emerging	Progressing	Established	Aspirational
				through international exchange, such as participation in the Egmont Group.	with financial analysis and intelligence, and the national FIU is able to provide elements to detect, investigate and prosecute ML and associated tax crime (as per FATF Immediate Outcomes 2 and 6).
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Maximising effectiveness:</b> <ul style="list-style-type: none"> <li>Engaging with the Reporting entities including Financial Institutions</li> <li>Induction of Information Technology solution</li> <li>Training</li> </ul>	<p>There is little engagement of the tax crime agency with the STR reporting entities including the financial institutions for improving quality of STRs.</p> <p>Tax crime investigation agency does not possess information technology solution for data matching.</p> <p>Agency officials are not adequately trained to convert intelligence into admissible evidence.</p>	<p>There is informal engagement with the STR reporting entities for improving quality of STRs.</p> <p>Information technology solution for data matching is introduced but not fully functional.</p> <p>Basic training provided to the agency officials for converting intelligence into admissible evidence.</p>	<p>There is formal engagement with the STR reporting entities for improving quality of STRs with regular feedback.</p> <p>FIU acts as a liaison between the economic and financial system and the tax crime investigative agency.</p> <p>Information technology solution for data matching is introduced and fully functional.</p> <p>Agency officials are fully trained for analysing the narrative contained in the STRs and converting intelligence into evidence to be used for identifying suspects, types of offences, patterns in offences, asset tracing.</p>	<p>A robust communication strategy in place as part of the outreach programme to reach out to the reporting entities with a plan for countering illicit financial flows.</p> <p>Use of advance analytics for obtaining enhanced picture of risks regarding illicit financial flows for targeted enforcement.</p> <p>Highly trained agency officials.</p> <p>Broad use and constant update of indicators, risk factors and typologies to raise awareness in the system on how to detect and report useful information for prevention and investigation of tax crimes.</p>
	Evaluation				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
7.3 Enhanced co-ordination with anti-money laundering authority	a. Operational coordination	There is awareness of linkage between tax crimes and money laundering, but it has not been percolated to the operational level in the form of enhanced inter-agency co-ordination between tax crime investigation agency and the anti-money laundering agency beyond some sharing of information on an ad hoc basis.	Memorandum of Understanding signed between the authorities to foster closer co-ordination, have resulted in formal sharing of information and better engagement.	Co-ordination goes beyond information sharing to include joint and effective use of information contained in STRs and shared by FIUs, joint investigations and joint risk assessments.	Tax crime investigation agency and the anti-money laundering authority participates jointly in the national risk assessment along with other enforcement agencies and formulates risk mitigation plan with clear understanding of areas of joint accountability for countering illicit financial flows.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				

## Principle 8: Have an effective framework for domestic inter-agency co-operation

37. An effective whole of government approach to combatting tax and other financial crime is comprised of the ability of different financial crime authorities (e.g. tax administrations, customs authorities, AML authorities, anti-corruption agencies, police and prosecution authorities, FIUs, financial regulators etc.) to co-operate with each other on the detection, prevention and enforcement of crimes within each other's given mandate. Jurisdictions at the established level are evidenced to have effective legal and operational frameworks to facilitate collaboration between agencies fighting tax and other financial crimes. Collaboration occurs through information sharing and other enhanced forms of co-operation, leading to enhanced investigative capabilities and a culture of whole of government approach, both at operational and strategic levels.

38. A pathway to higher levels of maturity represents a movement from operating on a stand-alone basis to an integrated way of functioning. At the emerging level, the stand-alone operation has limited access to information and processing capacity, limited investigative powers and resources. The Aspirational level of maturity provides for integrated way of functioning as "whole of government", with enhanced model of collaborative arrangement, having recourse to extended investigative capability.



Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal framework for information sharing</b>	Single legal gateway <sup>12</sup> permits sharing but imposes undue restrictions, such as, type of information that can be shared, Limited set of offences for which information can be used etc.	Reforms initiated to remove some of the restrictions but gap remains by way of single gateway and presence of restrictions	Range of legal gateways available to meet the specific requirements of the agencies,  Regular feedback provided to the policy makers on changing legal requirements for obtaining support of both policy makers and political leadership	Review mechanism in place to evaluate the effectiveness of the existing gateways on a recurring basis, imparting flexibility to respond to emerging complexities through new regulations through continued support from both policy makers and political leadership
	Evaluation				
	Supporting Comments/ Evidence				
	<b>c. Operational Framework governing procedures for information sharing</b>	The operational framework has one or more of these gaps: <ul style="list-style-type: none"> <li>Procedures governing information sharing lack clarity and scope</li> <li>Cumbersome approval process</li> </ul>	Information sharing governance procedures (for ex. an MoU) are established and cover: <ul style="list-style-type: none"> <li>Types of information and powers each agency possesses</li> <li>Points of contact</li> <li>Confidentiality standards</li> </ul>	Procedures governing information sharing are well defined and subject to ongoing monitoring and review.  Mechanism exists for joint-evaluation of the procedures on a recurring basis and for taking corrective steps.	Use of advanced data analytics to inform decision on improving operational efficiency.

<sup>12</sup> “Legal Gateways” refers to various modes of information sharing, such as discretionary, spontaneous, on request information sharing, etc. See Chapter 5 of: Improving Co-operation between Tax Authorities and Anti-Corruption Authorities in Combating Tax Crime and Corruption. Paris: Organisation for Economic Co-operation and Development, and The World Bank; 2018. <https://www.oecd.org/tax/crime/improving-co-operation-between-tax-authorities-and-anti-corruption-authorities-in-combating-tax-crime-and-corruption.htm>

Maturity Levels		Emerging	Progressing	Established	Aspirational
		<ul style="list-style-type: none"> <li>Lack of awareness about the type of information held by the other agencies and legal gateways</li> <li>Absence of training for officials on information sharing</li> <li>Insufficient guidelines on information access/end use and insufficient monitoring and review for ensuring confidentiality of information and integrity of the agency's work</li> </ul>	<ul style="list-style-type: none"> <li>Clear instructions on who has access/how they access info/end use</li> <li>Compliance and ethics checks and balances</li> <li>Mutual training on roles/ division of responsibility</li> <li>Mutual feedback channels</li> </ul> <p>However, gaps remain in monitoring and evaluation</p>	Records of information sharing and outcomes achieved are retained internally.	
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	d. Reporting and Information sharing in practice	Competent authorities report and share information on an ad hoc basis and/or have low adherence to relevant procedures on information sharing.	Competent authorities regularly report and share information and there is improvement in adherence to the set procedures. Monitoring and review process needs further improvement to ascertain if there is full compliance to the set procedures	Competent authorities report and share information in all appropriate cases in line with relevant procedures on reporting and information sharing. Regular feedback provided to enhance efficiency with specific focus on desired outcomes.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decisions on improving operational efficiency and risk assessment framework
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
8.2 Ability of tax crime investigation agency to co-	a. Legal and Operational framework for reporting suspected	Legal framework permits reporting but Procedures governing information reporting lack clarity and/or are subject to insufficient monitoring and review.	Procedures governing information reporting streamlined Tax crime investigators regularly	Legal protocol is transferred into a specific referral process, with clear criteria for selecting cases for referral. A designated team evaluates the	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decisions on improving operational

Maturity Levels		Emerging	Progressing	Established	Aspirational
operate with customs authorities and vice versa	customs offences detected in the course of their work and vice versa		sensitised to customs related offences However, there is insufficient monitoring and review.	referred cases and evaluates which cases require criminal prosecution.  Information on cases is retained internally, including approval/ non approval decisions, for guidance on future investigations. Protocol and efficacy of legal framework evaluated on a periodic basis and regular feedback provided to tax crime investigators to enhance efficiency.	efficiency and risk assessment framework
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Legal basis for information sharing	Single legal gateway permits sharing but imposes undue restrictions, such as, type of information that can be shared, Limited set of offences for which information can be used, not providing for enhanced form of co-operation	Reforms initiated to remove some of the restrictions and introducing scope for some enhanced co-operation mechanism but gap remains by way of single gateway and presence of restrictions	Range of legal gateways available to meet the specific requirements of the agencies including provisions for multiple forms of enhanced co-operation, obtaining support of both policy makers and political leadership	Review mechanism in place to evaluate the effectiveness of the existing gateways and forms of enhanced co-operation on a recurring basis, imparting flexibility to respond to emerging complexities through new regulations through continued support from both policy makers and political leadership
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	c. Operational Framework	The operational framework has one or more of these gaps:	Information sharing governance procedures (for ex. an MoU) are	Procedures governing information sharing are well defined and subject to	Use of advanced data analytics to inform decision on improving



Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>governing procedures for information sharing</b>	<ul style="list-style-type: none"> <li>Procedures governing information sharing lack clarity about the scope</li> <li>Cumbersome approval process</li> <li>Lack of awareness about the type of information held by the other agencies and legal gateways</li> <li>Absence of training for officials on information sharing</li> <li>Insufficient guidelines on information access/end use and insufficient monitoring and review for ensuring confidentiality of information and integrity of the agency's work</li> </ul>	<p>established and cover:</p> <ul style="list-style-type: none"> <li>Types of information and powers each agency possesses</li> <li>Points of contact</li> <li>Confidentiality standards</li> <li>Clear instructions on who has access/how they access info</li> <li>Compliance and ethics checks and balances</li> <li>Mutual training on roles/ division of responsibility</li> <li>Mutual feedback channels</li> </ul> <p>However, gaps remain in monitoring and evaluation</p>	<p>ongoing monitoring and review.</p> <p>Mechanism exists for joint-evaluation of the procedures on a recurring basis and for taking corrective steps</p> <p>Records of information sharing and outcomes achieved are retained internally.</p>	operational efficiency
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
	<b>d. Forms of Co-operation in practice</b>	Competent authorities report and share information on an ad hoc basis and/or have low adherence to relevant procedures on information sharing.	Competent authorities regularly report and share information and there is improvement in adherence to the set procedures. Monitoring and review process needs further improvement to ascertain if there is full compliance to the set procedures	Competent authorities report and share information in all appropriate cases in line with relevant procedures on reporting and information sharing. Regular feedback provided to enhance efficiency with specific focus on outcomes.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decision on improving operational efficiency and risk assessment framework
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				

Maturity Levels		Emerging	Progressing	Established	Aspirational
8.3 Ability of tax crime investigation agency to co-operate with financial intelligence unit and anti-money laundering authority and vice versa	a. Legal and Operational framework for reporting suspected money laundering offences detected in the course of their work & Vice versa	Legal framework permits reporting but Procedures governing information reporting lack clarity and/or are subject to insufficient monitoring and review.	Procedures governing information reporting streamlined.  Tax Crime investigators regularly sensitised money laundering offences.  However, there is insufficient monitoring and review.	Legal protocol is transferred into a specific referral process, with clear criteria for selecting cases for referral. A dedicated team evaluates the referred cases and evaluates which cases require criminal prosecution.  Information on cases is retained internally, including approval/ non approval decisions, for guidance on future investigations. Protocol and efficacy of legal framework evaluated on a periodic basis and regular feedback provided to tax crime investigators to enhance efficiency.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decisions on improving operational efficiency and risk assessment.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	b. Legal framework for information sharing	Single legal gateway permits sharing but imposes undue restrictions, such as, type of information that can be shared, Limited set of offences for which information can be used, not providing for enhanced form of co-operation	Reforms initiated to remove some of the restrictions and introducing scope for some enhanced co-operation mechanism but gap remains by way of single gateway and presence of restrictions	Range of legal gateways available to meet the specific requirements of the agencies including provisions for multiple forms of enhanced co-operation, obtaining support of both policy makers and political leadership	Mechanism in place to evaluate the effectiveness of the existing gateways and forms of enhanced co-operation on a recurring basis, imparting flexibility to respond to emerging complexities through new regulations through continued support from both policy makers and political leadership
	Evaluation				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	c. Operational Framework governing procedures for information sharing	<p>The operational framework has one or more of these gaps:</p> <ul style="list-style-type: none"> <li>Procedures governing information sharing lack clarity about the scope</li> <li>Cumbersome approval process</li> <li>Lack of awareness about the type of information held by the other agencies and legal gateways</li> <li>Absence of training for officials on information sharing</li> <li>Insufficient guidelines on information access/end use and insufficient monitoring and review for ensuring confidentiality of information and integrity of the agency's work</li> </ul>	<p>Information sharing governance procedures (for ex. an MoU) are established and cover:</p> <ul style="list-style-type: none"> <li>Types of information and powers each agency possesses</li> <li>Points of contact</li> <li>Confidentiality standards</li> <li>Clear instructions on who has access/how they access info</li> <li>Compliance and ethics checks and balances</li> <li>Mutual training on roles/ division of responsibility</li> <li>Mutual feedback channels</li> </ul> <p>However, gaps remain in monitoring and evaluation</p>	<p>Procedures governing information sharing are well defined and subject to ongoing monitoring and review.</p> <p>Mechanism exists for joint-evaluation of the procedures on a recurring basis and for taking corrective steps</p> <p>Records of information sharing and outcomes achieved are retained internally.</p>	<p>Use of advanced data analytics to inform decision on improving operational efficiency</p>
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	d. Reporting and Information sharing in practice	<p>Competent authorities report and share information on an ad hoc basis and/or have low adherence to relevant procedures on information sharing. No reference made to FATF Mutual Evaluation Reports</p>	<p>Competent authorities regularly report and share information and there is improvement in adherence to the set procedures. Monitoring and review process needs further improvement to ascertain if there is full compliance to the set procedures. Reference made to FATF Mutual Evaluation Reports but no concrete action taken for improving cooperation</p>	<p>Competent authorities report and share information in all appropriate cases in line with relevant procedures on reporting and information sharing. Regular feedback provided to enhance efficiency with specific focus on outcomes. FATF Mutual Evaluation Reports are evaluated and concrete action taken for improving cooperation</p>	<p>Effective outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decision on improving operational efficiency and risk assessment framework</p>

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
<b>8.4 Ability of tax crime investigation agency to co-operate with police investigating non-tax offences</b>	<b>a. Legal and Operational framework for reporting suspected non-tax crimes detected in the course of their work &amp; vice versa</b>	Legal framework permits reporting but Procedures governing information reporting lack clarity and/or are subject to insufficient monitoring and review.	Procedures governing information reporting streamlined  Tax crime investigators regularly sensitised to indicators of non-tax crimes  However, there is insufficient monitoring and review.	Legal protocol is transferred into a specific referral process, with clear criteria for selecting cases for referral. A designated team evaluates the referred cases and evaluates which cases require criminal prosecution.  Information on cases is retained internally, including approval/ non approval decisions, for guidance on future investigations. Protocol and efficacy of legal framework evaluated on a periodic basis and regular feedback provided to tax crime investigators to enhance efficiency.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decisions on improving operational efficiency and risk assessment
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal framework for information sharing</b>	Single legal gateway permits sharing but imposes undue restrictions, such as, type of information that can be shared, limited set of offences for which information can be used, and not providing for enhanced form of co-operation	Reforms initiated to remove some of the restrictions and introducing scope for some enhanced co-operation mechanism but gap remains by way of single gateway and presence of restrictions	Range of legal gateways available to meet the specific requirements of the agencies including provisions for multiple forms of enhanced co-operation, obtaining support of both policy makers and political leadership	Mechanism in place to evaluate the effectiveness of the existing gateways and forms of enhanced co-operation on a recurring basis, imparting flexibility to respond to emerging complexities through new regulations through continued support from both policy

Maturity Levels		Emerging	Progressing	Established	Aspirational
					makers and political leadership
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Operational Framework governing procedures for information sharing</b>	<p>The operational framework has one or more of these gaps:</p> <ul style="list-style-type: none"> <li>Procedures governing information sharing lack clarity about the scope</li> <li>Cumbersome approval process</li> <li>Lack of awareness about the type of information held by the other agencies and legal gateways</li> <li>Absence of training for officials on information sharing</li> <li>Insufficient guidelines on information access/end use and insufficient monitoring and review for ensuring confidentiality of information and integrity of the agency's work</li> </ul>	<p>Information sharing governance procedures (for ex. an MoU) are established and cover:</p> <ul style="list-style-type: none"> <li>Types of information and powers each agency possesses</li> <li>Points of contact</li> <li>Confidentiality standards</li> <li>Clear instructions on who has access/how they access info</li> <li>Compliance and ethics checks and balances</li> <li>Mutual training on roles/ division of responsibility</li> <li>Mutual feedback channels</li> </ul> <p>However, gaps remain in monitoring and evaluation</p>	<p>Procedures governing information sharing are well defined and subject to ongoing monitoring and review.</p> <p>Mechanism exists for joint-evaluation of the procedures on a recurring basis and for taking corrective steps</p> <p>Records of information sharing and outcomes achieved are retained internally.</p>	<p>Use of advanced data analytics to inform decision on improving operational efficiency and strategy formulation</p>
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>d. Reporting and Information sharing in practice</b>	<p>Competent authorities report and share information on an ad hoc basis and/or have low adherence to relevant procedures on information sharing.</p>	<p>Competent authorities regularly report and share information and there is improvement in adherence to the set procedures. Monitoring and review process needs further improvement to</p>	<p>Competent authorities report and share information in all appropriate cases in line with relevant procedures on reporting and information sharing. Regular feedback provided to enhance</p>	<p>Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decision on improving operational efficiency and risk assessment</p>

Maturity Levels		Emerging	Progressing	Established	Aspirational
			ascertain if there is full compliance to the set procedures	efficiency with specific focus on outcomes.	framework
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
<b>8.5 Ability of tax crime investigation agency to co-operate with public prosecutors investigating non-tax offences</b>	<b>a. Legal and Operational framework for reporting suspected non-tax crimes detected in the course of their work &amp; vice versa</b>	Legal framework permits reporting but Procedures governing information reporting lack clarity and/or are subject to insufficient monitoring and review.	Procedures governing information reporting streamlined.  Tax crime investigators regularly sensitised to indicators of non-tax crimes.  However, there is insufficient monitoring and review.	Legal protocol is transferred into a specific referral process, with clear criteria for selecting cases for referral. A designated team evaluates the referred cases and evaluates which cases require criminal prosecution.  Information on cases is retained internally, including approval/ non approval decisions, for guidance on future investigations. Protocol and efficacy of legal framework evaluated on a periodic basis and regular feedback provided to tax crime investigators to enhance efficiency.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decisions on improving operational efficiency and risk assessment
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Legal framework for information sharing</b>	Single legal gateway permits sharing but imposes undue restrictions, such as, type of information that can be shared, Limited set of offences for which information can be used, not	Reforms initiated to remove some of the restrictions and introducing scope for some enhanced co-operation mechanism but gap remains by way of single gateway and presence of	Range of legal gateways available to meet the specific requirements of the agencies including provisions for multiple forms of enhanced co-operation, obtaining support of both	Mechanism in place to evaluate the effectiveness of the existing gateways and forms of enhanced co-operation on a recurring basis, imparting flexibility to respond to emerging complexities

Maturity Levels		Emerging	Progressing	Established	Aspirational
		providing for enhanced form of co-operation	restrictions	policy makers and political leadership	through new regulations through continued support from both policy makers and political leadership
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Operational Framework governing procedures for information sharing</b>	<p>The operational framework has one or more of these gaps:</p> <ul style="list-style-type: none"> <li>• Procedures governing information sharing lack clarity about the scope</li> <li>• Cumbersome approval process</li> <li>• Lack of awareness about the type of information held by the other agencies and legal gateways</li> <li>• Absence of training for officials on information sharing</li> <li>• Insufficient guidelines on information access/end use and insufficient monitoring and review for ensuring confidentiality of information and integrity of the agency's work</li> </ul>	<p>Information sharing governance procedures (for ex. an MoU) are established and cover:</p> <ul style="list-style-type: none"> <li>• Types of information and powers each agency possesses</li> <li>• Points of contact</li> <li>• Confidentiality standards</li> <li>• Clear instructions on who has access/how they access info</li> <li>• Compliance and ethics checks and balances</li> <li>• Mutual training on roles/ division of responsibility</li> <li>• Mutual feedback channels</li> </ul> <p>However, gaps remain in monitoring and evaluation</p>	<p>Procedures governing information sharing are well defined and subject to ongoing monitoring and review.</p> <p>Mechanism exists for joint-evaluation of the procedures on a recurring basis and for taking corrective steps</p> <p>Records of information sharing and outcomes achieved are retained internally.</p>	<p>Use of advanced data analytics to inform decision on improving operational efficiency and strategy formulation</p>
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>d. Reporting and Information sharing in practice</b>	Competent authorities report and share information on an ad hoc basis and/or have low adherence to relevant procedures on information sharing.	Competent authorities regularly report and share information and there is improvement in adherence to the set procedures. Monitoring and review process needs further improvement to ascertain if there is full compliance to the set procedures	Competent authorities report and share information in all appropriate cases in line with relevant procedures on reporting and information sharing. Regular feedback provided to enhance efficiency with specific focus on outcomes.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decision on improving operational efficiency and risk assessment framework
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
<b>8.6 Ability of tax crime investigative agency to co-operate with anti-corruption authorities and vice versa</b>	<b>a. Legal and Operational framework for reporting suspected corruption cases detected in the course of their work &amp; vice versa</b>	Legal framework permits reporting but Procedures governing information reporting lack clarity and/or are subject to insufficient monitoring and review.	Procedures governing information reporting streamlined  Tax Crime investigators regularly sensitised to indicators of corruption risks.  However, there is insufficient monitoring and review.	Legal protocol is transferred into a specific referral process, with clear criteria for selecting cases for referral. A designated team evaluates the referred cases and evaluates which cases require criminal prosecution.  Information on cases is retained internally, including approval/ non approval decisions, for guidance on future investigations.  Protocol and efficacy of legal framework evaluated on a periodic basis and regular feedback provided to tax civil officials to enhance efficiency.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decisions on improving operational efficiency and risk assessment.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				



Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Legal framework for information sharing</b>	Single legal gateway permits sharing but imposes undue restrictions, such as, type of information that can be shared, Limited set of offences for which information can be used, not providing for enhanced form of co-operation	Reforms initiated to remove some of the restrictions and introducing scope for some enhanced co-operation mechanism but gap remains by way of single gateway and presence of restrictions	Range of legal gateways available to meet the specific requirements of the agencies including provisions for multiple forms of enhanced co-operation, obtaining support of both policy makers and political leadership	Mechanism in place to evaluate the effectiveness of the existing gateways and forms of enhanced co-operation on a recurring basis, imparting flexibility to respond to emerging complexities through new regulations through continued support from both policy makers and political leadership
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
	<b>c. Operational Framework governing procedures for information sharing</b>	<p>The operational framework has one or more of these gaps:</p> <ul style="list-style-type: none"> <li>Procedures governing information sharing lack clarity about the scope</li> <li>Cumbersome approval process</li> <li>Lack of awareness about the type of information held by the other agencies and legal gateways</li> <li>Absence of training for officials on information sharing</li> <li>Insufficient guidelines on information access/end use and insufficient monitoring and review for ensuring confidentiality of information and integrity of the agency's work</li> </ul>	<p>Information sharing governance procedures (for ex. an MoU) are established and cover:</p> <ul style="list-style-type: none"> <li>Types of information and powers each agency possesses</li> <li>Points of contact</li> <li>Confidentiality standards</li> <li>Clear instructions on who has access/how they access info</li> <li>Compliance and ethics checks and balances</li> <li>Mutual training on roles/ division of responsibility</li> <li>Mutual feedback channels</li> </ul> <p>However, gaps remain in monitoring and evaluation</p>	<p>Procedures governing information sharing are well defined and subject to ongoing monitoring and review.</p> <p>Mechanism exists for joint-evaluation of the procedures on a recurring basis and for taking corrective steps</p> <p>Records of information sharing and outcomes achieved are retained internally.</p>	Use of advanced data analytics to inform decision on improving operational efficiency and strategy formulation
	<b>Evaluation</b>				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	d. Reporting and Information sharing in practice	Competent authorities report and share information on an ad hoc basis and/or have low adherence to relevant procedures on information sharing.	Competent authorities regularly report and share information and there is improvement in adherence to the set procedures. Monitoring and review process needs further improvement to ascertain if there is full compliance to the set procedures	Competent authorities report and share information in all appropriate cases in line with relevant procedures on reporting and information sharing. Regular feedback provided to enhance efficiency with specific focus on outcomes.	Outcomes are analysed and fed into the Risk Assessment process. Use of advanced data analytics to inform decision on improving operational efficiency and risk assessment framework
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
8.7 Use of enhanced co-operation mechanisms between tax and other financial crime enforcement authorities in practice.	a. Co-operation agreements in the form of Memorandum of Understanding (MoU)	A very basic MoU signed with a very limited scope of the collaboration without any information sharing and confidentiality guidelines and standard operating procedure. Agreement not put to effective use	A comprehensive MoU signed with details of scope of engagement including joint activities and other operational details regarding contact points, confidentiality and information sharing guidelines, Agreement put to use in a limited sphere of joint activity beyond information sharing. However, gaps remain in monitoring and review process	Regularly utilised to the fullest extent with demonstrated success. Scope regularly reviewed for meeting the changing requirements of the respective agencies and given effect to after obtaining support of both policy makers and political leadership. A robust monitoring and review mechanism informs decision making	Strategic analysis done through advanced analytics to look for ways for expanding the scope of co-operation as warranted by the changing operational landscape and implemented in practice through continued support from both policy makers and political leadership
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Parallel investigations</b>	Parallel investigations conducted with some level of informal co-ordination by sharing some investigative leads, intelligence and evidence	The co-ordination is formalised with specific reference to it in the MoU, leading to some operational decisions made jointly	Parallel investigation is a regular activity with formal co-ordination covering more areas like dividing broad elements of an investigation and charging decisions, settle pleadings together	Regular monitoring and evaluation of outcomes leading to building of strong networks between agencies
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Secondments and co-location of staff</b>	Secondments and co-location of staff is done on an ad hoc basis without any regular policy	Secondments and co-location of staff is done as a part of regular policy	Job requirements within the agency are evaluated and placement of Secondees done to achieve maximum results	Regular monitoring and evaluation of outcomes leading to building of strong networks between agencies
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>d. Joint Operations and Multi-agency Task Force</b>	A Task-force, covering multiple agencies, is set up in response to a new crisis but terms of reference and the scope are not fully spelt out	Shared goals and priorities as well as competing interests are documented along with internal management, approval structures, legal procedures, sharing of costs, evidence preservation measures, maintaining confidentiality of information and dispute resolution mechanisms through an overarching MoU.	Challenges posed by the joint operations are effectively handled by developing shared investigation strategy and adopting risk mitigation strategy. Outcomes evaluated on a regular basis	Heads of each Task Force agency evaluates regularly the outcomes achieved and the requirement for any course correction due to changing operational landscape and mobilise resources accordingly

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>e. Inter-agency centres of intelligence</b>	An intelligence centre is established with a few participating agencies for fulfilling an operational function for specific group of cases for managing intelligence, relying on information gathered from open source. Some preliminary work done	The Centre is established as a multi-agency intelligence hub with a formal sanction, housed in one of the participating agency with information gathered by participating agencies and open source	The scope of the Centre extended to cover strategic function focusing on threat assessment, examining changing trend in financial crimes but remains unit of an existing agency.	A standalone body created with own information gathering powers, with both operational and strategic functions to inform overarching strategy against Illicit Financial Flows, development of new techniques for combating financial crimes and emerging risks. National Risk Assessment conducted by fusion of separate databases using advanced analytics and Artificial Intelligence, with each participating agency bringing its risk-assessment module and a joint risk-based mitigation strategy is prepared
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>f. Multi-agency training</b>	Multi-agency training on the basic indicators for identifying various crimes investigated by the participating agencies organised as an onetime activity without any follow up activity	Multi-agency training is organised as a regular activity systematically covering all relevant officials with a tailor-made curriculum covering legal gateways, relevant procedures, internal approval process, contact points in addition to the indicators of crimes	Training curriculum is revised on the basis of feedback and changing requirements of the agencies, covering latest techniques of investigation, linkages between various financial crimes and importance of collaboration.	Specialty course including Broad trends in financial crimes, risk-assessment methodology, and Policy development added to the curriculum.  Multi-agency Training made an integral part of the participating agencies'

Maturity Levels		Emerging	Progressing	Established	Aspirational
				Cost-sharing arrangement between agencies formalised Outcomes evaluated	training Programmes
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	g. Ability of tax crime investigators to review tax affairs of persons sanctioned for other serious financial crimes	Access is given on an ad hoc manner and not part of a regular policy	Operational mechanism put in place through a specific clause in MoU for granting access as part of regular policy but there is insufficient monitoring	A robust monitoring mechanism supplements the operational framework and used effectively in practice	Evaluation of outcomes done on a regular basis and data used for studying links between various financial crimes and trends to inform policy formulation
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
8.8 Maintenance of statistics regarding domestic inter-agency co-operation between tax crime investigation agency and other agencies		Basic information and records maintained but not in a systematic manner to be useful for informed decision making	Maintenance of data/statistics on information reporting and sharing has been initiated as part of reform initiative but improvement required in data quality and monitoring mechanism regarding successful investigations due to information sharing or joint activities	Internal data is maintained in a systematic way including details of successful investigations, recovery of assets, conviction obtained etc. Data used in practice for informed decision making for improving inter-agency co-operation, operational efficiency, policy changes	Advance analytics used for data processing and drawing insights for strategy formulation, policy changes and improving operational efficiency

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Comments/ Evidence				
Overall Mark for the Principle	Evaluation				
	Supporting Comments/ Evidence				

## Principle 9: Ensure international co-operation mechanisms are available

39. In a borderless world where criminals can quickly move beyond national borders, jurisdictions cannot work in isolation and must utilise all available mechanisms for international co-operation in order to effectively combat cross-border tax crimes. Jurisdictions at the established level are evidenced to have access to criminal legal instruments and adequate domestic legal & operational frameworks for effective international co-operation in the detection, prevention, investigation and prosecution of tax crimes. Exchange of information and other enhanced forms of international co-operation lead to improved investigative capabilities and capacity for countering illicit financial flows, which has also been highlighted by The Financial Action Task Force (FATF) Recommendation 40 and Immediate Outcome 2.

40. A pathway to higher levels of maturity represents a movement from operating on an ad hoc basis to an optimised way of functioning. At the emerging level, there is an ad hoc approach to international co-operation. As the jurisdiction's capability matures, the approach becomes more strategic to factor in the jurisdiction's vulnerabilities and exposure to risk with the trading and financial partners, leading to an optimised level of maturity with potential of joint multinational operational networks for pursuing global financial crimes.



Maturity Levels		Emerging	Progressing	Established	Aspirational
		Indicative Attributes			
9.1 Access to Legal Instruments and scope	a. Extent of strategic coverage	Jurisdiction has access to a few legal instruments like Double Taxation Agreements (DTAs), Tax Information Exchange Agreements (TIEAs) but the treaty network is limited and not based on strategic consideration of trade and financial relationship with its partners. Access to bilateral instruments only.	Jurisdiction has expanded its treaty network by accessing more legal instruments, guided by strategic consideration of trade and financial relationship with its partners, but does not cover all the relevant jurisdictions. Access to both bilateral and regional instruments.	Extensive access to a variety of legal instruments, with a network of treaty partners covering all the relevant jurisdictions, having strategic importance in terms of trade and financial relationships. Access to bilateral, regional and multilateral instruments including multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC) and operates within this agreement.	The treaty network analysis and selection of legal instruments is based on strategic risk assessment methodology, identifying the financial secrecy risk of treaty partners based on illicit financial flow channels of trade, foreign direct investment, portfolio investment and banking exposure, among other factors.

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Breadth of coverage of types of assistance</b>	Breadth of coverage is limited to exchange of information.	Breadth of coverage is extended to cover some other areas, such as: service of documents; obtaining evidence; facilitating the taking of testimony from witnesses, assistance in recovery of taxes.	Breadth of coverage is extended to cover areas such as, executing freezing and seizing of assets orders; assistance in recovery of assets, arranging for making persons available for questioning; joint investigation subject to the principles laid down in the international instruments	Decision on breadth of coverage is informed by strategic risk assessment.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Restrictions on use of tax information received through exchange with other law enforcement agencies</b>	Domestic law does not have enabling provision for sharing of information received through international exchange.  Strict confidentiality clause in the legal instrument restricts information sharing.	Enabling provisions have been made in the domestic law.  While strictly adhering to confidentiality, certain appropriate restrictions have been eased to allow for meaningful use of the data. However, several restrictions remain about strategic information and circumstances, making sharing possible in a very limited number of	As a party to the multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC), the jurisdiction is allowed to exchange information with other agencies for non-tax purposes to the extent that this is allowed domestically in both the jurisdictions and where authorisation is provided by the requested jurisdiction <sup>13</sup> .	Risk assessment and proactive mitigation pushes forward joint accountability for enforcement agencies involved, informing the terms of negotiations with partners in the bilateral MLAT and achieving optimal terms in the agreement based on the IFF channels identified.

<sup>13</sup> Article 22 of the MAC governs the conditions of information that can and cannot be shared between Parties.



Maturity Levels		Emerging	Progressing	Established	Aspirational
			cases.	The jurisdiction negotiates new terms with the partners in the bilateral MLAT for effective sharing of exchanged information with other agencies due to enhanced domestic inter-agency co-operation <sup>14</sup> .	
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
9.2 Exchange of Information	a. Participating in Exchange of Information on Request	Member of Global Forum but rated non-compliant with international standard of Exchange of Information on Request (EOIR) as per Global Forum's Peer Review process and taking steps to address recommendations, no Peer Review has been completed yet, or not yet a Member of the Global Forum <sup>15</sup>	Rated Partially Compliant with international standard of Exchange of Information on Request (EOIR) as per Global Forum's Peer Review process and taking steps to address recommendations.	Overall Largely Complaint rating with international standards of Exchange of Information on Request (EOIR) as per Global Forum's Peer Review process and taking steps to address recommendations.	Rated Compliant with international standards in all areas of the Exchange of Information on Request (EOIR) as per Global Forum's Peer Review process.  May participate in spontaneous exchanges/collaboration even without direct request
	Evaluation				

<sup>14</sup> This information is derived from the standards established by the Global Forum. Please reference: OECD (2016) Global Forum on Transparency and Exchange of Information for Tax Purposes: Exchange of Information on Request: Handbook for Peer Reviews 2016-2020 Third Edition, OECD Publishing, Retrieved from <http://www.oecd.org/tax/transparency/global-forum-handbook-2016.pdf>

<sup>15</sup> For peer review ratings, please reference: OECD (2016) Global Forum on Transparency and Exchange of Information for Tax Purposes: Transparency and Exchange of Information for Tax Purposes: Multilateral Cooperation Changing the World: 10<sup>th</sup> Anniversary Report, (pp. 37-40), Retrieved from <https://www.oecd.org/tax/transparency/global-forum-10-years-report.pdf>

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	b. Participating in Automatic Exchange of Information (AEOI)	Member of Global Forum but not committed to specific timeline for Automatic Exchange of Information or not yet a member of the Global Forum	Domestic legal framework is in place but not yet successfully set up and linked up to the Common Transmission system (CTS).  Committed to specific timeline for Automatic Exchange of Information but actual exchange is yet to commence. <sup>16</sup>	Signing and ratification of multilateral Convention on Mutual Administration Assistance in Tax Matters (MAC) completed. Information security arrangements are in place. Actual exchange of information has already commenced. Data quality issues have been examined, a monitoring team constituted for regular engagement with the reporting entities and partner jurisdictions for proactively addressing data quality issues, internal guidelines prepared for use of exchanged data, a selective enforcement action has been initiated	Issues regarding data quality have been resolved and exchanged data have been used effectively both operationally and strategically including for risk assessment.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
9.3 Operational Framework	Operational guidelines & institutional arrangements	Operational guidelines in the form of a manual exist, describing the requirements for meeting confidentiality of information but there is no dedicated central unit for processing of request received or request sent. Insufficient monitoring.	Detailed guidelines on steps to be taken for processing information request and sending requests, meeting strict confidentiality requirements.  Quality of request sent and responses to information requests are monitored	Case management tool to receive, assess, prioritise and respond requests for assistance.  Regular training imparted to officials helped in adhering to the timelines and quality standards.	An executive committee reviews the guidelines, processes and resource requirements on a regular basis and takes remedial action immediately. Mechanism put in place for regularly checking confidentiality arrangements and identifying instances of use of

<sup>16</sup> For more information about CTS, reference: OECD (2019) Global Forum on Transparency and Exchange of Information for Tax Purposes: The 2019 AEOI Implementation Report, Retrieved from <https://www.oecd.org/tax/transparency/AEOI-implementation-report-2019.pdf>

Maturity Levels		Emerging	Progressing	Established	Aspirational
			<p>by a central processing team.</p> <p>Training imparted to officials on quality of request.</p> <p>Format prescribed for making and receipt of requests.</p> <p>Monitoring and review process in place but process is not streamlined to adhere to defined timelines and quality standards.</p> <p>Lack of resources hinder the processing capacity.</p>	<p>Availability of adequate resources for receiving, managing, co-ordinating and responding to incoming requests and for making requests for assistance in a timely manner.</p> <p>Database containing details of contact information on the competent authorities of treaty partners maintained and regularly updated.</p>	information for unauthorised purposes.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
9.4 International Co-operation in practice	a. Extent of co-operation	Co-operation limited to exchange of Information on a limited scale with some of the treaty partners	Co-operation extended to cover more strategic treaty partners and other areas, such as, service of documents, obtaining testimony of witnesses	Co-operation is extended to extensive areas of collaboration including joint investigation on bilateral basis including assistance in recovery of taxes and recovery of offshore assets subject to the principles laid down in the international instruments	Joint operational team set up amongst a group of strategic treaty partners to investigate global tax crimes after meeting all confidentiality requirements
	Evaluation				
	Supporting Evidence and Suggested Next Steps				


Maturity Levels		Emerging	Progressing	Established	Aspirational
	<b>b. Effective use of information</b>	Information received through exchange is used exclusively for investigation of cases.  Processing time for international requests often hinders investigations and/or asset recovery	Information received through exchange is also used for risk assessment in a limited way.  Processing time for international requests is improving, but the process is not streamlined to effectively tackle all cases	Information received through exchange now being used for conducting risk assessment combined with domestic databases in a comprehensive manner  Processing time for international requests is quick and streamlined, allowing for proper investigation and/or asset recovery in complex cases.	Exchanged information is used for conducting sophisticated risk assessment for identifying trends in illicit financial flows, making use of information on beneficial ownership.  Monitoring and review of the timeliness and accuracy of international requests allows for the jurisdiction to adapt and maximise efficiency.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				
<b>9.5 Monitoring Mechanism</b>	<b>Maintenance of statistics regarding international co-operation</b>	Limited data maintained on number of request received or sent	Statistical coverage extended to include: number of requests made, received, processed, granted, refused; time taken for response	Comprehensive range of statistics to include: number of investigations supported by international co-operation that resulted in filing of prosecution; investigation conducted on behalf of or jointly with foreign counterparts; number and value of assets frozen and confiscated as a result of international co-operation.  Information is used for improving processes, renegotiate treaty terms to extend scope of co-operation.	Data being effectively used for formulating strategy for fighting global financial crimes and countering illicit financial flows. A feedback loop to management regarding requirements and needs for international cooperation informs resource allocation and strategy, including preventative measures.
	<b>Evaluation</b>				
	<b>Supporting Evidence and Suggested Next Steps</b>				

Maturity Levels		Emerging	Progressing	Established	Aspirational
Overall Mark for the Principle	Evaluation				
	Supporting Comments/ Evidence				

## Principle 10: Protect suspects' rights

41. As with any criminal regime, it is crucial that persons subject to criminal investigation for tax offences are afforded certain fundamental rights, including those set out in the United Nations' Declaration of Human Rights. A jurisdiction at the established level is expected to ensure that certain fundamental and procedural rights, which are afforded to everyone suspected or accused of a criminal act including tax crimes, with clear guidelines for advising the suspects of their rights whenever a criminal tax investigation proceeds/initiates.

42. A pathway to higher levels of maturity represents evolution of the jurisdiction from affirming the fundamental and procedural rights in domestic law with limited supporting measures, to an active engagement for effective implementation with detailed guidance on duties and obligations on part of investigative agencies. Aspirational levels include mechanisms for monitoring and review to avoid violation of suspects' rights.

					
Maturity Levels		Emerging	Progressing	Established	Aspirational
Indicative Attributes					
10.1 Basic Rights	a. Right to presumption of innocence of persons suspected or accused of having committed tax crimes	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring and/or review. No personal accountability for the violations of these rights.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Limited personal accountability for the violation of these rights, on a case-by-case basis.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism. Personal accountability for the violation of these rights is universally enforced.	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.
	Evaluation				

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Supporting Evidence and Suggested Next Steps				
	<b>b. Right to protection against double jeopardy</b>	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring & review. No personal accountability for the violations of these rights.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Limited personal accountability for the violation of these rights, on a case-by-case basis.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism. Personal accountability for the violation of these rights is universally enforced.	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
<b>10.2 Right of Defence</b>	<b>a. Right to be advised of his/her rights including a process for ensuring this is whenever a criminal tax investigation proceeds/initiates</b>	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring & review. No clear guidelines on extension of protection at the time of converting civil audit into criminal investigation. No personal accountability for the violations of these rights.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Specific guidelines on extension of protection of rights at the time of converting civil audit into criminal investigation. Limited personal accountability for the violation of these rights, on a case-by-case basis.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism and extension of protection of rights at the time of converting civil audit into criminal investigation. Personal accountability for the violation of these rights is universally enforced.	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.

Maturity Levels		Emerging	Progressing	Established	Aspirational
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>b. Right to remain silent</b>	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring & review. No clear guidelines on extension of protection at the time of converting civil audit into criminal investigation. No personal accountability for the violations of these rights.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Specific guidelines on extension of protection of rights at the time of converting civil audit into criminal investigation. Limited personal accountability for the violation of these rights, on a case-by-case basis.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism and extension of protection of rights at the time of converting civil audit into criminal investigation. Personal accountability for the violation of these rights is universally enforced.	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>c. Right to be advised of the particulars of what one is accused of</b>	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring & review. No clear guidelines on extension of protection at the time of converting civil audit into criminal investigation. No personal accountability for the violations of these rights.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Specific guidelines on extension of protection of rights at the time of converting civil audit into criminal investigation. Limited personal accountability for the violation of these	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism and extension of protection of rights at the time of converting civil audit into criminal investigation. Personal accountability for the violation of these rights is universally enforced.	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative



Maturity Levels		Emerging	Progressing	Established	Aspirational
			rights, on a case-by-case basis.		measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>d. Right to access and consult a lawyer and/or entitlement to free legal advice</b>	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring & review. No clear guidelines on extension of protection at the time of converting civil audit into criminal investigation. No personal accountability for the violations of these rights.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Specific guidelines on extension of protection of rights at the time of converting civil audit into criminal investigation. Limited personal accountability for the violation of these rights, on a case-by-case basis.	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism and extension of protection of rights at the time of converting civil audit into criminal investigation. Personal accountability for the violation of these rights is universally enforced.	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	<b>e. Right to interpretation and translation</b>	Fundamental and Procedure Rights affirmed in law but gaps remain due to ambiguity, exceptions and insufficient monitoring & review. No clear guidelines on extension of	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions but significant gaps remain due to insufficient monitoring and review. Specific guidelines on	Fundamental and Procedure Rights affirmed in law without ambiguity and exceptions, backed by detailed guidelines and strict monitoring mechanism and extension of protection	Procedures are in place to regularly review cases/completed investigations and record violations for proactive protection of suspects' rights, either in the form of a case monitoring tool

Maturity Levels		Emerging	Progressing	Established	Aspirational
		protection at the time of converting civil audit into criminal investigation. No personal accountability for the violations of these rights.	extension of protection of rights at the time of converting civil audit into criminal investigation. Limited personal accountability for the violation of these rights, on a case-by-case basis.	of rights at the time of converting civil audit into criminal investigation. Personal accountability for the violation of these rights is universally enforced.	and/or ethics review. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance and avoiding dismissal of investigations.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
	f. Data protection	Internal guidelines do exist for protection of for taxpayers' data but there is no national data protection regime. No review mechanism is in place.	Domestic law provides for protection of taxpayer data and national data protection laws are being implemented across government agencies. Implementation of internal guidelines is being monitored. Information security of data storage system has been initiated.	National data protection regime is in place and synchronised with the protection of suspects' rights. Exchange of information is governed by such laws and international confidentiality standards <sup>17</sup> . Information security of data storage is firmly in place. Internal data protection guidelines are updated on a regular basis.	Procedures are in place to regularly review cases and record violations for proactive protection of suspects' rights relating to data. The responsible parties identify areas of risk and proactively work to mitigate violations through training and/or preventative measures. Guidelines regularly updated for ensuring strict compliance with data protection guidelines.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				

<sup>17</sup> See C. Exchange of Information: Essential elements <http://www.oecd.org/tax/transparency/global-forum-handbook-2016.pdf> and Core Requirement 3 of the Global Forum AEOI Terms of Reference. <https://www.oecd.org/tax/transparency/AEOI-terms-of-reference.pdf>

Maturity Levels		Emerging	Progressing	Established	Aspirational
10.3 Right to a speedy trial	Right affirmed in law	Right to speedy trial is affirmed in law but not backed by logistics and insufficient monitoring & review	Right to speedy trial is affirmed in law and backed by partial analysis of logistical requirements but gaps remain due to insufficient monitoring & review.	Right to speedy trial is affirmed in law and backed by detailed analysis of logistical requirements and detailed guidelines and strict monitoring mechanism	Use of information technology and a case review mechanism to identify cases involving delay in trial and the challenges to inform decision making at the policy level for finding innovative solution proactively.
	Evaluation				
	Supporting Evidence and Suggested Next Steps				
Overall Mark for the Principle	Evaluation				
	Supporting Evidence and Suggested Next Steps				

## Annex A. Example of a possible format for conducting self-assessment

Self-assessments through the draft maturity model were conducted at five jurisdictions where the Tax Inspectors Without Borders for Criminal Investigations (TIWB-CI) pilot programmes are being implemented, by using a 3-day workshop format. Based on feedback received, an example of how to conduct a self-assessment using the maturity model is as follows:

### Organising and preparing a self-assessment workshop

- Organise a 3-day workshop with a multi-disciplinary team of participants, which could include the tax crime investigation agency, intelligence agency, financial intelligence unit, officials from various functional areas of tax administration (mainly civil audit or customs if relevant), prosecutor's Office, other enforcement agencies (such as the anti-corruption authority), policymakers and any other stakeholder that the jurisdiction might consider important.
- The E-learning module on the Ten Global Principles developed by the OECD could be sent to the participants in advance. The course is currently available in English, Spanish and French. In order to register for the course,
  - 1) Go to the Knowledge Sharing Platform ([www.ksp-ta.org](http://www.ksp-ta.org)).
  - 2) Create an account if you don't have one, using your work email. In the field country/organization, select your own country.
  - 3) You will receive an email asking you to confirm your account. If you have not received it, please verify your spam folder or contact [OECD.TaxandCrime@oecd.org](mailto:OECD.TaxandCrime@oecd.org)

### Conducting a self-assessment workshop

- Conduct the workshop with a team of 2 facilitators well-versed with the Ten Global Principles and the maturity model, guiding and steering the discussions.
- Appoint a co-ordinator from the Tax Crime Investigation Agency for liaising with the Participants and the Facilitators
- Sufficient time should be allowed for the self-assessment discussion during the 3-day workshop, as to deliberate the best evaluations for each element of the model
- Divide the participants into ten groups, ideally diversifying agencies and roles in the group, and assign each group a principle to deliberate on and make a decision on the current level of maturity of the jurisdiction under the principle.
- Each group is also to identify the salient information about a jurisdiction that affects its capability to combat tax crime (Operational Environment) and identify the constraints the jurisdiction faces for each indicative attribute.

- To be effective, this self-assessment should be done in a way which makes the process as objective as possible and inspire critical thinking. Care should be taken, though, to ensure that the conversations can be frank and open and people should be encouraged to express their views.
- At the end of the workshop, evaluations are completed by each group, indicating the levels of maturity of the jurisdiction across Indicative Attributes of maturity under a principle.
- Each group makes a presentation at the end of the workshop with a detailed analysis of the maturity levels under the principle assigned to the group along with the effectiveness measurement. Conclusions drawn by a group should be challenged by another group during presentations.
- It is a good practice for the facilitators to challenge the views of the self-assessment groups, including asking for supporting evidence where appropriate during the presentations made by each group.

### Outcomes of the self-assessment workshop

- Final evaluations are prepared after combining all the self-assessments made by each group and a set of recommendations for improving effectiveness in the jurisdiction.
- The co-ordinator submits a report to the Head of the Tax Crime Investigation Agency on the workshop including the self-assessments completed and recommendations made by the participants.
- The Head of the Tax Crime Investigation Agency initiates the process for further deliberations with the stakeholders and draw up an Action plan for capacity building to bridge the gaps identified by the self-assessments through the maturity model.
- Policy actions, such as manuals or other concrete actions, can be drafted from results of the self-assessment.
- Jurisdictions which wish to participate in the Tax Inspectors Without Borders for criminal investigation (TIWB-CI) may get in touch with the Project Co-ordinator, Tax Inspectors Without Borders Secretariat at [secretariat@tiwb.org](mailto:secretariat@tiwb.org) for further details.

# Tax Crime Investigation Maturity Model

The Tax Crime Investigation Maturity Model aims to help jurisdictions understand where they stand in the implementation of the OECD's Ten Global Principles, based on a set of empirically observed indicators. By setting out indicators for each increasing level of maturity, the model also charts out an evolutionary path for future progress towards the most cutting-edge practices in tax crime investigation across four levels of maturity: Emerging, Progressing, Established and Aspirational. It therefore also serves as an important tool for measuring the impact of tax crime capacity building interventions, including those promoted by the Addis Tax Initiative and G7 Bari Declaration. The model also has relevance for jurisdictions at all stages of development.

The focal point of this Maturity Model self-assessment exercise is the tax crime investigation agency in a jurisdiction. However, given the strong linkages between tax and other financial crimes, the self-assessment will provide the most useful diagnosis when completed jointly with other relevant stakeholders from across a range of financial crime enforcement authorities, the prosecution agency and the policymakers. Thus, the whole of government approach is an integral part of the model.



For more information:



[ctp.contact@oecd.org](mailto:ctp.contact@oecd.org)



[www.oecd.org/tax/crime](http://www.oecd.org/tax/crime)



[@OECDtax](https://twitter.com/OECDtax)

