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Pakistan's Legislative Measures to fight the menace of Money Laundering with Special reference to FATF

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ABSTRACT

The study aims to outline Pakistan's progress to remove itself from the FATF's Grey List, such as the actions taken in terms of legislation, administration, and judicial activism to meet the FATF's action plan and Global general standards on this issue. It discusses money laundering with respect to Pakistan and the significant channels that are deeply rooted in it. It analyses the loopholes in the previous laws, flaws in prosecuting agencies, and administrative drawbacks that permeated this issue on Pakistani soil. It further discusses the functioning and mandate of a global watchdog, FATF, which aims to prevent money laundering and terror financing and its efforts in Pakistan to culminate this global threat. However, the main emphasis is upon the legislative measures taken by Pakistan to effectively fulfil the recommendations and prescribed action plan. It also expatiates Pakistan's response, its commitment, follow-up of an implementation plan and FATF guidelines, amending and passing three-dozen statutes, and its administrative and judicial actions. Such actions are of great significance as it shows Pakistan's dedicated efforts and commitment to curb this menace nationally and globally. Thus, the need for further actions is also incorporated, and the grey areas are highlighted where work and efforts are needed. The paper concludes with the further prospects of Pakistan after its removal from the "Grey List" after satisfactory compliance with an action plan by the watchdog, or there will always be a threat of being included in the aftermath of removal.

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1 Introduction

Effective and important legislative developments are needed to make it a responsible country to avoid enhanced monitoring or the Grey List. The study outlines the key legislation that went into effect in Pakistan on February 21st after Pakistan's decision to remain on the Grey List was upheld. It was followed by the introduction and passage of numerous crucial measures addressing the concerns of money laundering, terror financing, and procedural gaps in investigation and prosecution following FATF recommendations falling under Technical and Effective Compliance (*Anti-Money Laundering and Counter-Terrorist Financing Measures-Pakistan*, 2019).

Following the 21st February 2020 Plenary, the parliament amended and passed fourteen laws, and two proposals were introduced to improve Pakistan's AML/CFT system. This legislation was enacted in three stages/Phases. Phase

I covers measures that were introduced before the FATF deadline of February 2020 and got Presidential approval in July 2020. Phase II comprises prior actions that have been amended to align with the FATF framework. The legislation enacted by the Joint Parliamentary Session in mid-September, erstwhile rejected by the Senate, is included in the final phase.

1.1 Phase 1

This phase comprises measures that were debated before February 2020 and gained the President's assent before July 2020. The details of the Legislation are as follows.

1.1.1 *The Foreign Exchange Regulations (Amendment) Act, 2020:*

This amendment was made to comply with recommendation no. 26 and immediate outcome no. 3 (Supervision) relating to effective tribunal systems and stringent control of financial transactions. This statute has the authority to regulate and supervise the flow of securities, foreign cash, bullion, and other monetary instruments. Amendments were made to reinforce the tribunal's mandate by adding a time restriction of 6 months for the completion of the proceedings.

1.1.2 *The Anti-Money Laundering (Amendment) Act, 2020:*

The captioned amendment was made to effectively comply with immediate outcomes no. 3 (Supervision) and 7 (ML investigation and prosecution), as suggested by the watchdog, and in order to technically comply with recommendations no. 3 (Money Laundering Offences) and 31 (Powers of Law Enforcement and Investigative Authorities).

In September 2019, *the Anti-Money Laundering (Amendment) Bill 2019* was introduced in the lower house. The existing gaps in the procedural laws of money laundering were attempted to be addressed with this amendment, which included strict provisions to ensure compliance. The following are the key changes made by the act:

- i. The fine imposed on violators has been jacked up from Rs. 1 million to Rs. 5 million (Anti-money laundering (Amendment) Act 2020, Section 4).
- ii. The sentence for violators was increased from two to ten years in prison.
- iii. The investigating officer can now secure the accused's remand/custody for up to 180 days for investigation, up from 90 days previously (Anti-money laundering (Amendment) Act 2020, Section 8(1)).

1.1.3 *The Anti-Terrorism (Amendment) Act, 2020*

In terms of effective compliance, this legislation is linked to Immediate Outcomes no. 1 (Risk, Policy and Coordination), 5 (Legal Persons and Arrangements) and 10 (Terror Financing Preventive Measures and Financial Sanctions) and it adds to Recommendations no. 2, 6 and 35 in terms of technical compliance. The following are the key amendments to the act:

- i. The definition of person was broadened to encompass “*any natural, legal, or corporate person*” (The Anti-Terrorism (Amendment) Act 2020, Section 2).
- ii. The maximum penalties imposed on the perpetrator has been increased from Rs. 10 million to Rs. 25 million in terms of fine, with a maximum of 10 years in prison, or both (The Anti-Terrorism (Amendment) Act 2020, Section 11(O) (3)).
- iii. Section 11-OOO was introduced to enforce the United Nations Security Council resolutions (1267, 1373) on combating terrorism and terror finance by incorporating such measures within the domestic legal system.

Failure to comply with a Federal Government order, as defined in Section 2 of the United Nations (Security Council) Act 1948, was made an offence punishable by ten years in jail and a fine not more than Rs. 25 million, or both.

1.1.4 *The National Counter Terrorism Authority (NACTA) (Amendment) Act, 2020*

The NACTA Act complies with FATF guidelines for effective compliance with immediate Outcome no. 1 (Risk, Policy, and Coordination), and technical compliance with recommendation no. 2 (National Cooperation and Coordination). It was revised by Presidential Ordinance on November 8, 2019, with a 120-day validity period, and was subsequently passed by both houses.

The key improvements in the act's amendment are as follows:

- i. Instead of the Prime Minister, the Minister in Charge of the Interior Division leads the NACTA Board of Governors (National Counter Terrorism Authority (NACTA) (Amendment) Act 2020, Section 5(1)).
- ii. Increased the size of the Board of Governors to include IGPs, Home Secretaries of all provinces and that of Islamabad, GB and AJK.
- iii. Additional Secretaries of relevant Ministries are now permitted to attend Executive Committee sessions (National Counter Terrorism Authority (NACTA) (Amendment) Act 2020, Section 8).

1.1.5 The Mutual Legal Assistance (Criminal Matters) Act, 2020

It sets a framework for international cooperation by offering and obtaining the broadest range of legal aid related to ML, TF, and other offences. In terms of effective compliance with FATF guidelines, this activity meets several immediate outcomes and fulfils various recommendations in terms of technical compliance.

This statute governs the process of requesting and then giving legal aid to other authorities during criminal investigations. If there are no reciprocal agreements between the two nations, the provisions of the MLA Act will take priority. Section 7 of the act states that Pakistan will assist and act in response to any foreign country's request. Furthermore, under Section 17 of the aforementioned Act, if the case endangers national interests, is contradictory to Pakistani statutes, or is deemed to violate international human rights conventions, Pakistan may refuse to help the such foreign government in that matter.

1.2 Phase II

From July through August 2020, this phase will feature 6-FATF-related legislation. Parliamentary sessions were convened to debate this legislation and ultimately enact the "FATF Bills", however owing to the pandemic, the discussion of this legislation was brief. The relevant aspects of the laws, as well as their adherence to FATF principles, are detailed next.

1.2.1 The Anti-Terrorism (Second Amendment) Act, 2020

In terms of the relevancy of the FATF recommendation, this change adds to Immediate outcomes 8 and 10 regarding effective compliance. In terms of technical compliance, however, it adheres to Recommendations no 6, 7, 10, 13 and 35. The change aims to improve the provisions for stringent sanctions as well as harsher punishments.

The amendment's key aspects are as follows:

- i. A section is included that restricts financial institutions and banks from providing financial aid and loans to persons on the proscribed person list and those linked with banned organizations (The Anti-terrorism Act 2020, Section (11)(EE)(2)).
- ii. People enlisted in the '*prohibited persons list*' had their weapons licences revoked, and the firearms in their custody were impounded. Furthermore, those individuals were barred from receiving licences for weapons again.
- iii. Anyone who supplies a person with travel assistance, property or money in order for him to engage in terrorist activity is presumed to have committed the crime (The Anti-terrorism Act 2020, Section (11)(J)).
- iv. Penalties were increased and made more stringent. Noting that: "*if a legal person commits an offence under sections 11H to 11K such person shall be liable to conviction and fine not exceeding fifty million rupees*"(The Anti-terrorism Act 2020, Section (11)(N)).

The measures for the confiscation and freezing of assets of proscribed individuals and organisations have been reinforced and made more stringent. The state has been given the authority to freeze the assets and accounts of anyone proven to be engaging in terrorist activity.

1.2.2 The United Nations (Security Council) (Amendment) Act, 2020

This amendment adheres to Immediate Outcomes no. 1 and 5, while it pertains to Recommendations no. 2 and 35 in terms of technical compliance.

The goal is to enable policymakers and law enforcement organisations to collaborate and share information in order to implement UN Security Council decisions. The United Nations (Security Council) (Amendment) Act of 2020 embodies the process for efficiently implementing UNSC resolutions. The act's most notable features include:

- i. Indemnity provisions, transfer of authority, and rulemaking were included.

ii. Section 3 states:

“No suit, prosecution or other legal proceedings shall lie against any person in respect of anything which is in good faith done or intended to be done under this act”. As a result, the formerly redundant process for punishing criminals has been made harsh and certain.

iii. The Federal Government has the authority to enact rules in order to properly execute the contents of this act and confer such powers to any “Pakistani person, entity or authority”(The United Nations (Security Council)Act 2020, Section 5).

1.2.3 The Control of Narcotics Substance (Amendment) Act, 2020

The change to CNSA corresponds to FATF recommendation 3 including Money Laundering to its scope. The watchdog identified a lacuna in section 12 of this act, and this amendment was made to rectify the loophole.

1.2.4 The Companies (Amendment) Act, 2020

The Companies Act 2020 adheres to Immediate Outcome no. 5 for effective compliance, as well as FATF Recommendations no. 11, 24 and 25 for technical compliance. The purpose of this act is to prevent the manipulation of beneficial ownership and *benamidaars* by increasing the transparency of ownership records and the accompanying money trail.

The act's most noticeable changes are:

i. A new section 60-A was incorporated into the Act, stating that:

“no company shall allot, issue, sell, transfer or assign any bearer shares, bearer share warrant or any other equity or debt security of a bearer nature, by whatever named called, and any allotment, issue, sale, transfer, assignment or other disposition of any such bearer shares or bearer share warrants or any other equity or debt security of a bearer nature, shall be void”. Furthermore, the provision of a strict fine was added in case of failure to comply with the regulations.

ii. This amendment makes it mandatory for the corporation to keep a record of and register all information about its beneficial owners (The Companies Act 2020, Section 123(A)).

1.2.5 The Limited Liability Partnership (Amendment) Act, 2020

As there is a clear link between both laws, the changes made to the *‘Limited Liability (Amendment) Act 2020’* in terms of applicability to the FATF recommendations are akin to those made to the Companies (Amendment) Act 2020. Both of these laws are meant to ensure asset ownership transparency and to assist the domestic AML framework in tracing the money flow directly to the rightful owners.

The Act's key provisions are as follows:

i. The partnership was required to comply with section 8 of *‘The Limited Liability Partnership (Amendment) Act 2020’*, which states that:

“Obtain, maintain and timely update particulars of the ultimate beneficial owner, including any change therein, of any person who is a partner in limited liability partnership in such form, manner and submit such declaration to the registrar as may be specified”.

ii. Non-compliance with the aforementioned procedure carries a maximum penalty of Rs.1 million for an individual and not more than Rs.10 million for a Limited Liability Partnership (corporation/partnership).

1.2.6 The Islamabad Capital Territory Trust Act, 2020

The Act relates to the proper implementation of Immediate Outcome no. 3 and recommendations no. 26 and 27. The act seeks to improve the monetary and regulatory regime for oversight of properties and their questionable ownership. Because trust properties are a blurred line in this regard, enhancing their oversight was unavoidable in order to satisfy some of the core FATF recommendations.

The following are some of the Act's key features:

i. According to Section 2:

“The trust is an obligation annexed to the ownership of the property and rising out of the confidence reposed in and accepted by the owner or declared and accepted by him for the benefit of the beneficiary”.

ii. The application for the registration of trust can be rejected if *“the purpose of the trust is unlawful or the trust proceeds are suspected to be proceeds of crime”*. As a result, money launderers will be unable to use this tactic for their interests

- iii. Another provision was added according to which, if a director or trustee of a trust is found guilty of failing to comply with the conditions of this act, failing to disclose the relevant information, or failing to fulfil the trust's objective, he can be fined up to Rs. 1 million (The Islamabad Capital Territory Trust Act 2020, Section 17(3)).

Section 109 empowers the Chief Commissioner Islamabad to make rules governing this activity.

1.3 Phase III

The government and opposition have shown a cooperative attitude in their efforts to remove the country from the Grey List. Despite the passage of 11 laws, the Upper House rejected several key pieces of legislation. These laws were critical in strengthening Pakistan's AML system and improving its compliance with FATF recommendations, i.e. The most important were the Anti-Money Laundering (Second Amendment) Bill and the Anti-Terrorism (Third Amendment) Act of 2020. In August 2020, After being passed by the lower house (National Assembly), these bills were rejected by the Upper house (Senate) owing to political reasons and a lack of debate.

The President of Pakistan called a joint session of Parliament, which enacted the three rejected laws on September 16, 2020, as their timely passage was critical before the October plenary 2020 (Amir Waseem, 2020).

1.3.1 *The Anti-Money Laundering (Second Amendment) Act, 2020*

In addition to Federal Investigation Agency, and Counter-Terrorism Department acting as investigating and prosecuting agencies, the National Accountability Bureau was also mandated to conduct an investigation and prosecute money laundering cases under Section 2 (xvii). Significant features of this amendment are:

- i. The amount of fine also increased to Rs. 25 million for an individual (natural person) and Rs. 100 million for the corporation (legal person).
- ii. The National Executive Committee was formed to allow agencies (Law enforcement and prosecuting) to coordinate and cooperate for good (The Anti-money laundering Act 2020, Section 5).
- iii. Section 6 has been substituted to establish the Financial Monitoring Unit. Subsections 6A to 6C enhance the AML/CFT regime by introducing a regulatory authority, mandating International cooperation by regulators and setting up an oversight body for self-regulatory bodies (SRBs), respectively (RSIL, 2020).
- iv. Most pertinently, in order to align with FATF recommendations, AMLA offences will now be considered Cognizable (Anti-money laundering Act 2020, Section 21).
- v. Section 25 encourages coordination and collaboration between federal and provincial officers.
- vi. To Ensure customer due diligence, report STRs, verify customer identity, and improve regulatory monitoring.

1.3.2 *The Anti-Terrorism (Third Amendment) Act, 2020*

This modification conforms to Immediate Outcome no. 9 and recommendations no. 30, and 31 by expanding the IO's scope of the investigation to include terror-funding offences. The following are some of the amendments' most notable points:

- i. The investigation tactics and methodologies were improved, enhancing the capacity of IOs in instances covering “*financing of terrorism under the law in force*”. The statute allows for the employment of techniques such as interception of communications, evaluating computer systems, working undercover etc (The Anti-Terrorism Act 2020, Section 19(C)). However, these procedures can only be employed with the approval of the court.
- ii. This legislation empowers the Government to formulate necessary rules and regulations to fulfil the Act's objectives (The Anti-Terrorism Act 2020, Section 19(2)).

1.3.3 *The Islamabad Capital Territory Waqf Procedure Act, 2020*

The law refers to Immediate outcome no. 3 and Recommendations no. 26, and 27 as prescribed by FATF. It enhances the framework to regulate and monitor properties, their legit ownership, and to restrain the use of laundered money for waqf properties.

The following are the important provisions of the Act:

- i. Section 2 has a definition of “*waqf property*”²⁹ which states:
“*as property of any kind permanently dedicated by a Muslim for any purpose recognized by Islam as religious,*

pious or charitable, but does not include property of any waqf such as is described in section 3 of the Mussalman Waqf Validating Act, 1913 (VI of 1913), under which any benefit is for the time being claimable for himself by the person by whom the waqf was created or by any member of his family or descendants”.

- ii. Section 3 of the legislation confers the powers to the Chief Commissioner of Islamabad Capital Territory to appoint a Chief Administrator Auqaf for ICT to take administrative management of the auqaf properties. Within the local borders of ICT, he has the authority to confer in him all waqf-related rights, debts, liabilities, and duties.
- iii. Non-compliance with the provisions of the act, according to Section 26 of the act, results in a 5-year prison sentence.

2 Administrative Actions

2.1 Imposing a Ban on Organizations

Following FATF recommendations, several non-governmental organizations (NGOs) have been banned in Pakistan after being linked to various terrorist organizations and elements destroying the state's writ. Some of them were also engaged in high-profile tragedies, such as the massacre of children in the army public school, in Peshawar. Various 'madrasahs' (religious seminaries) were also closed because they were operating on laundered money ('*Terror-Linked Madrasahs to Face Action: Khanzada*', 2015). Pakistan has banned a number of groups due to their evident involvement in sectarian violence and terrorism. The number of these groups has grown to 78 (Proscribed Organizations List, NACTA).

2.2 Fencing the Border of Afghanistan and Iran

Pakistan shares a border of 2600km with Afghanistan. Due to the porous nature of such a long border, several illicit activities were carried out through this route. The delinquent conditions of Afghanistan and the political unrest there also created many issues in Pakistan such as terrorism, drug trafficking, smuggling and money laundering. Without catering to this perspective of management, the threat cannot be minimized. Hence, the Government and Army of Pakistan decided to fence the ardently long border of Afghanistan. The work was started in 2017, and it is projected by Pakistan's military that the porous border will be fenced off in the next two months (Ayaz Gul, 2022).

According to the Army's media wing i.e., ISPR, this massive construction effort was launched to block smuggling, illegal crossings, and militant infiltration on the Pak-Afghan border. The fence is three-meter high, and a couple of meters apart, on the snow-covered and treacherous mountains as high as 4000 meters. The ISPR also claimed a "Massive Decrease" in the terrorist attacks in Pakistan as the border is protected from foreign terror elements. The Pakistani troops which were involved in the process of fencing faced several deadly attacks from the other side and clashes with Afghan security forces was also reported (Ayaz Gul, 2022).

Pakistan also shares a 900-kilometre border with Iran. According to ISPR, 30% of the border has been already fenced, while the other is expected to be completed by the end of 2021. This frontier is largely porous, separating Baluchistan and the Sistan province of Iran. This region has faced several militant attacks which rendered inevitable the fencing of the border (*Anti-Money Laundering and Counter-Terrorist Financing Measures-Pakistan*, 2019; Ayaz Gul, 2022).

2.3 Judicial Actions

The Anti-terrorism court in Karachi awarded a sentence to two members of the banned organization on the charges of terrorism financing on December 29, 2020. An alleged member of the proscribed organization Jammāt-ud-Dawā (JUD) namely, Ghulam Rasool Rabani was sentenced to 25 years imprisonment and a fine worth 2.2 Million rupees. While the other accused Muhammad Shakirullah, was sentenced to 20 years imprisonment along with a 1.1 million rupees fine. He was an alleged member of the banned organization Al-Qaeda in the subcontinent (AQIS) (Radio Mashaal, 2020).

The Anti-Terrorism Court of Lahore awarded a sentence to three leaders of Jammāt-ud-Dawā (JUD) on the charges of Terrorism Financing. Such was also the aides of Hafiz Muhammad Saeed (mastermind of the Mumbai Attacks in 2008 and declared Global Terrorist by the UN). The three convicts Hafiz Abdul Salam, Prof Zafar Iqbal, and Hafiz Abdur Rehman Makki were awarded the sentence of imprisonment of 16 and a half year, 16 and a half years, and one and a half years respectively (The Newspaper's Staff Reporter, 2020).

1. The Counter-Terrorism Department has registered 41 FIRs on the leaders of banned organizations including Hafiz Saeed and others (PTI, 2021).

2. Hafiz Saeed has been sentenced to imprisonment of 36 years by the Anti-terrorism court on the charges of Terrorism Financing in 5 cases.
3. One of the masterminds of the Mumbai attacks, Zakiur Rehman Lakhwi, operation commander of banned Lashkar-e-Taiba (LeT) was sentenced to 5 years rigorous imprisonment and a fine of rupees 1 lac on the charges of Terrorism-financing (PTI, 2021).
4. Khanani and Kalia Foreign Exchange Company: In this case, the Khanani and Kalia Foreign Exchange company was involved in money laundering in Pakistan (Khurram Hussain, 2016). The accused namely, Javed Khanani and Munaf Kalia, were investigated and prosecuted by FIA. They were found guilty of laundering \$10 billion out of the country (Faraz Khan, 2008).
5. Case of Ayyan Ali:
Another case regarding money laundering also came to the limelight which shows the changing attitude of institutions towards global financial crimes. Ayyan Ali was arrested with \$506,000 cash while flying to Dubai (Haseeb Bhatti, 2015). The amount was ten times higher than the maximum limit of cash allowed to be taken away from Pakistan. Legal action was taken and the accused was committed behind bars at Adiala Jail. She was admitted to bail after paying huge fines for the violation of the Monetary laws of Pakistan (Haseeb Bhatti, 2015). Her name was also included in the Exit Control List to restrain her travel beyond Pakistan (Haseeb Bhatti, 2015; Jawad Shoaib, 2017).

3 Conclusion

Pakistan has made significant performance till now. Financial crimes were deeply embedded in the social-economic framework of Pakistan. Pakistan's inclusion in the "Jurisdiction of effective compliance list" or "Grey List" was a major setback for economic indicators. Although Pakistan has followed the international norms, and FATF's action plan cum recommendations and echoed them into the domestic legal framework to fight money laundering and its precursor crimes. Pakistan expired several deadlines given by the global watchdog but has yet to receive an appraisal from various countries and organizations. Pakistan has legislated and amended effectively on this issue. Three dozen of laws were made and improved in the light of the given framework. These laws were passed through the parliamentary process with the consensus of opposition parties and the outcomes will be sustainable in the long run, because it is least likely that the transition of Government reverses or affect these laws. The prevalent loopholes in the legislative framework were tried to cope with. But there is a sheer lack of a joint investigating and prosecuting agency for the implementation of AMLA, although the "National Executive Committee" has been established coalescing the existent agencies on a single platform. Its performance is still obscure and time will clarify what course it is up to.

Adding to the efforts of Pakistan, it also improved the administrative framework. It fenced the porous borders of Afghanistan and Iran, which helped in the reduction of terrorist attacks, drug trafficking and money laundering. Judicial activism also strengthened the positive image of Pakistan as it penalized several terrorists and those involved in its financing. The world lauded Pakistan's efforts and commitments. It is very welcoming that in the last plenary, FATF urged Pakistan to "demonstrate" given areas from "strict compliance". Thus, depicting that Pakistan's efforts are lauded. It is most likely that Pakistan will oust itself from the FATF's Grey List in the next plenary. Keeping in view the sustainable and long-term actions of Pakistan, if it implements the laws in its letter and spirit, the threat of its inclusion afterwards in the grey list will cease to exist

3.1 Recommendations

3.1.1 Specialized Courts:

The legislative framework of money laundering authorizes an Anti-Terrorism court to trial the offences of terror financing, although the domain of money laundering is still obscure. So there is a dire need for the formation of specialized courts particularly for the trial of the offences of money laundering and its precursor crimes. The court may hold its sessions initially at provincial headquarters and Islamabad Capital Territory. After some time, the establishment of Money laundering courts will be inevitable at sessions divisions. This will help in easing the burden of ATC and other courts, and resultantly, speedy trial and prosecution will be ensured.

3.1.2 Special Investigation Force:

In the current scenario, several law enforcement agencies investigate these financial crimes. Although National

Executive Committee has been established to carry out joint operations and exchange of information among these agencies, there is a dire need for a special investigation force. Such should be proficient in financial and related crimes. The investigating officers should be trained with internationally prevalent techniques to yield better results. In addition to that, the latest technologies and forensic methods should be adopted for effective investigation.

3.1.3 Awareness to masses (Positive Role of Media):

It is the need of the hour to aware the masses regarding this menace of money laundering, terror financing and other crimes and its far-long implications on the very delicate fabric of society. The media has to play its role effectively and the deliverance of such should be highlighted because, without the support of the public at large, the implementation of laws should be flawed. Media campaigns, advertisements, and Government policies should be aimed at denouncing the factors of money laundering and terror financing.

3.1.4 Induction of Trained Prosecutors:

The meagre conviction rate of financial crimes is due to flawed investigation and prosecution. Prosecutors of normal courts are not well proficient in financial crimes; their capacity often leads to flawed prosecution. Resultantly, many perpetrators evade the clutches of law. To tackle this, it is necessary to induct those prosecutors for the prosecution of financial crimes i.e., money laundering, which will be well versed with monetary systems, nitty-gritty details of money laundering; and its channels. Training can also be conducted for better performance and the use of the latest technologies in prosecuting perpetrators.

3.1.5 Bounties for Informers:

Government should announce bounties for the persons who will inform the law enforcement authorities about any unlawful channels of money laundering i.e., Hawala Hundi Network. As several strong unlawful networks are present in Pakistan, the involvement of the public in eradicating and curbing money laundering can be ensured by some bounties and monetary awards to informers of such networks.

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