

Speech of Director, CBI at the Valedictory Session of the 21st Annual Conference of CBI and Anti Corruption Bureaux

November 19, 2015 at Vigyan Bhawan, New Delhi

Ladies and Gentlemen

It is indeed our proud privilege to welcome the Hon'ble Minister to the valedictory session of the XXI Annual Conference of State Anti Corruption Bureaux and CBI on the theme "TRACKING PROCEEDS OF CORRUPTION: CHALLENGES AND ROAD AHEAD". I also extend a very warm welcome to our distinguished dignitaries on the dais Central Vigilance Commissioner Shri K.V. Chowdary, Vigilance Commissioner Shri T.M. Bhasin & Secretary Department of Personnel & Training Shri Sanjay Kothari.

2. Sir, over the course of two days, the conference has deliberated on the topical issues relating to the tracking of the proceeds of corruption. These deliberations were enriched by the opinions/suggestions of the delegates of the State Anti Corruption Bureaux.

3. Ladies and Gentlemen, investigations into corruption cases complex financial crimes pose newer and multiple challenges. There is a growing emphasis worldwide not only on prosecuting offenders but also on recovering the proceeds of crime. It is based on the principle, "Crime must not pay". This requires acquisition of new capabilities by law enforcement and also reviewing the existing Standard Operating Procedures. Information Technology has also radically changed the way people work, communicate and interact. It has also altered the way crimes are being committed. The extreme flexibility of digital infrastructures allows offenders to conceal identities, move funds across multiple jurisdictions. The limits imposed by sovereign boundaries or geographical limits are increasingly becoming less relevant. It is with this perspective that we have selected the theme for this year's conference. There has been a general concern amongst the public at large about huge amount of money accumulated by the corrupt persons within the system and the inability on part of the Anti Corruption Agencies to recover the proceeds of such activities. However, the reasons for this are multiple and hence the need for a national forum to deliberate the issues.

4. Sir, today we have come to the conclusion of the two day conference which has discussed the dimensions of the task. The content shared during the sessions was innovative with ideas and thoughts which can provide right answers. The first session of the conference was chaired by Hon'ble Justice (Retd.) Arijit Pasayat who set the tone of the conference laying down the "Challenges and Road Ahead" in tracking proceeds of corruption. Consequent to deliberations, **it was agreed that while we require to learn from experience of other nations, an effective challenge to this issue requires indigenous solutions.**

5. The key to success in financial investigations is the ability to leverage advanced technology that allows an investigative group to conduct a comprehensive analysis of all the data in a case in a timely manner. Hence, I am of a firm view that Investigators and Prosecutors must be constantly kept apprised of new crime trends, swiftly changing technology, and changing laws. Increasingly, it requires in-depth knowledge of special investigative techniques and procedures, knowledge of asset recovery procedures in multiple jurisdictions, digital forensic analysis and forensic accounting tools. Given this requirement, there was a consensus about the necessity on part of the law enforcement authorities to **develop capacity** to understand and unravel the complex web of financial transactions. CBI through the planned International Centre of Excellence in Investigation (ICEI) will endeavour to bring the requisite knowledge from the leading resource persons in the world and transfer it to law enforcement community in India.

6. Keeping the multi-dimensional challenges at hand, it was agreed that the LEAs needed to develop expertise in understanding complexities of tax laws, international laws, advanced financial instruments and regulations that govern the working of financial institutions. With your support, Sir, CBI has already started training its officers at IIM-Bangalore and National Law School, Bangalore and in the course of time we would assess ways and means of transferring this expertise to our partners in States.

7. Further, to overcome the handicap of lack of access to financial data with the banks, revenue authorities and other regulatory bodies, the house agreed for requirement of linking anti-corruption and related agencies, both at the State and at the Central level to have access to various databases to facilitate the identification and tracing of assets.

8. The delegates also agreed about the requirement of a **multi-dimensional central authority**, to handle all incoming requests relating to asset recovery.

9. To facilitate a seamless Mutual Legal Assistance, the house agreed to recommend **acceptance of the draft of Mutual Legal Assistance in Criminal Matters Bill** drafted by BPR&D presently under consideration with the Government.

10. The momentum of deliberations was kept up in the session on “Evolving Common Approach to Combat Corruption Across Multiple Jurisdictions” which was helmed by an eminent legal academic Prof. (Dr.) N.R. Madhava Menon, Chair Professor, National Law School, Bangalore, who emphasised upon the need for a common approach to face this challenge not only at international or national level but also at the level of the States. The importance of targeting proceeds of crime and depriving the corrupt of the same was agreed to be a most effective method to tackle corruption. In this regard, the effectiveness of non-conviction based forfeiture was emphasised.

11. Sir, the Conference also had the benefit of the experience and legal acumen of Ld. Attorney General, Shri Mukul Rohatgi during a session on “Existing Anti Corruption Legal Framework”. During these deliberations, the problems faced by the Central Bureau of Investigation on account of **non-uniformity of consent** issued by different State Governments under Section 6 of the DSPE was highlighted.

12. It was also highlighted that the Indian Laws only provided for maximum and minimum punishment with/without fine for different acts of corruption. In absence of any sentencing guidelines, the judicial authorities do not have enough legal provisions to factor in the consequences of corruption. Accordingly, it was agreed to **suggest to the Government to have a categorical sentencing guidelines to ensure predictability in imprisonment and ensure consequent deterrence.**

13. The conference was brought to a satisfying close by a session on “Best Practices in Anti Corruption Efforts” with presentation by the representative from States of Bihar, Gujarat and Odisha which have shown the way forward on this aspect.

14. Knowing fully well that it is not feasible to summarise the rich discussions and experiences felt by the participants in a few words, I hope that I have been able to flag the core issues.

15. I thank all the delegates of State Anti-Corruption Bureaux who have contributed to make the deliberations meaningful.

Thank You,

JAI HIND
