Money Laundering

Money laundering is the process of concealing the source of large amounts of money that have been gained through illegitimate means. Money evidently gained through crime is "dirty" money, and money that has been "laundered" to appear as if it came from a legitimate source is "clean" money. Money can be laundered by many methods, which vary in complexity and sophistication.

Money laundering happens in almost every country in the world, and a single scheme typically involves transferring money through several countries in order to obscure its origins. Money laundering, at its simplest, is the act of making money that comes from Source A look like it comes from Source B. In practice, criminals are trying to disguise the origins of money obtained through illegal activities so it looks like it was obtained from legal sources. Otherwise, they can't use the money because it would connect them to the criminal activity, and law-enforcement officials would seize it.

'Money Laundering' as an expression is one of fairly recent origin. The original sighting was in the newspapers reporting the Watergate Scandal in the United States in 1973.

The action of the US President Richard Nixon's "Committee to re-elect the President" that moved illegal campaign contributions to Mexico, and then brought the money back through a company in Miami. It was Britain's newspaper Guardian that coined the term, referring to the process as "laundering".

"Money laundering" is associated with Mafia in the United States. Gangsters there were earning huge sums in cash from extortion, prostitution, gambling and bootleg liquor. They needed to show a legitimate source for these monies. One of the ways in which they were able to do this was by purchasing outwardly legitimate businesses and to mix their illicit earnings with the legitimate earnings they received from these businesses.

Money Laundering as a crime attracted the interest in the 1980s, essentially within a drug trafficking context. It was from an increasing awareness of the huge profits generated from this criminal activity and a concern at the massive drug abuse problem in western society which created the impetus for governments to act against the drug dealers by creating legislation that would deprive them of their illicit gains.

Money Laundering is not an independent crime, it depends upon another crime (predicate offence), the proceeds of which is the subject matter of the crime in money laundering. Money Laundering has a close nexus with organized crime. It is well recognized that through the huge profits the criminals earn from drug trafficking and other illegal means, by way of money laundering could contaminate and corrupt the structure of the State at all levels, this definitely leads to corruption. Further, this adds to constant pursuit of profits and the expansion into new areas of criminal activity.

Through money laundering, organized crime diversifies its sources of income and enlarges its sphere of action. The social danger of money laundering consists in the consolidation of the economic power of criminal organizations, enabling them to penetrate the legitimate economy. In advanced societies, crime is increasingly economic in character. Criminal associations now tend to be organized like business enterprises and to follow the same tendencies as legitimate firms; specialization, growth, expansion in international markets and linkage with other enterprises.

The amount of money laundered each year is in the billions (US dollars) and poses a significant policy concern for governments. As a result, governments and international bodies have undertaken efforts to deter, prevent and apprehend money launderers. Financial institutions have likewise undertaken efforts to prevent and detect transactions involving dirty money, both as a result of government requirements and to avoid the reputational risk involved. Issues relating to money laundering have existed as long as there have been large scale criminal enterprises. Modern anti-money laundering laws have developed along with the so-called modern "War on Drugs". In more recent times anti-money laundering legislation is seen as adjunct to the financial crime of terrorist financing in that both crimes usually involve the transmission of funds through the financial system (although money laundering relates to where the money has come *from*, and terrorist financing relating to where the money is going *to*).

Methods and Stages of Money Laundering

There are three stages involved in money laundering; placement, layering and integration.

Placement –This is the movement of cash from its source. On occasion the source can be easily disguised or misrepresented. This is followed by placing it into circulation through financial institutions, casinos, and other businesses, both local and abroad. The process of placement can be carried out through many processes including:

1. *Currency Smuggling* – This is the physical illegal movement of currency and monetary instruments out of a country. The various methods of transport do not leave a discernible audit trail
2. *Bank Complicity* – This is when a financial institution, such as banks, is owned or controlled by unscrupulous individuals suspected of conniving with drug dealers and other organised crime groups. This makes the process easy for launderers. The complete liberalisation of the financial sector without adequate checks also provides leeway for laundering.
3. *Asset Purchase* – The purchase of assets with cash is a classic money laundering method. The major purpose is to change the form of the proceeds from conspicuous bulk cash to some equally valuable but less conspicuous form.

Layering – The purpose of this stage is to make it more difficult to detect and uncover a laundering activity. It is meant to make the trailing of illegal proceeds difficult for the law enforcement agencies. For example, *Material assets bought with cash then sold* – Assets that are bought through illicit funds can be resold locally or abroad and in such a case the assets become more difficult to trace and thus seize.

Integration – This is the movement of previously laundered money into the economy mainly through the banking system and thus such monies appear to be normal business earnings. The known methods used are:

1. *Property Dealing* – The sale of property to integrate laundered money back into the economy is a common practice amongst criminals. For instance, many criminal groups use shell companies to buy property; hence proceeds from the sale would be considered legitimate.
2. *Front Companies and False Loans* – Front companies that are incorporated in countries with corporate secrecy laws, in which criminals lend themselves their own laundered proceeds in an apparently legitimate transaction.

3. *False Import/Export Invoices* – The use of false invoices by import/export companies has proven to be a very effective way of integrating illicit proceeds back into the economy. This involves the overvaluation of entry documents to justify the funds later deposited in domestic banks and/or the value of funds received from exports.

Harmful Effects of Money Laundering:
Money Laundering threatens national governments and international relations between them through corruption of officials and legal systems. It undermines free enterprise and threatens financial stability by crowding out the private sector, because legitimate businesses cannot compete with the lower prices for goods and services that businesses using laundered funds can offer. There are few specific challenges which is posed by Money-laundering activities throughout the world.

Terrorism – Terrorism is an evil which affects each and everybody. Now and then we can find terrorist attacks being made by terrorists. These attacks definitely cannot be done without the help of money. Money Laundering serves as an important mode of terrorism financing. Terrorist organizations raise funding from legitimate sources, including the abuse of charitable entities or legitimate businesses or selffinancing by the terrorists themselves. Terrorists also derive funding from a variety of criminal activities ranging in scale and sophistication from low-level crime to organised fraud or narcotics smuggling, or from state sponsors and activities in failed states and other safe havens. Terrorists use a wide variety of methods to move money within and between organisations, including the financial sector, the physical movement of cash by couriers, and the movement of goods through the trade system. Charities and alternative remittance systems have also been used to disguise terrorist movement of funds.

Threat to Banking System – Across the world, banks have become a major target of Money Laundering operations and financial crime because they provide a variety of services and instruments that can be used to conceal the source of money. Though norms for record keeping, reporting, account opening and transaction monitoring are being introduced by central banks across the globe for checking the incidence of Money Laundering and the employees of banks are also being trained to recognise suspicious transactions, the dilemma of the banker in the context of Money Laundering is to sift the transactions representing legitimate business and banking activity from the irregular / suspicious transactions. Launderers generally use this channel in two stages to disguise the origin of the funds first, when they place their ill gotten money into financial system to legitimize the funds and introduce these funds in the financial system and second, once these funds have entered the banking system, through a series of transactions, they distance the funds from illegal source. The banks and financial institutions through whom the 'dirt money' is laundered become unwitting victims of this crime.

Threat to Economic and Political Stability – the infiltration and sometimes entry of dirty money into legitimate financial sectors and national accounts can threaten economic and political stability. An IMF working paper concludes that money laundering impacts financial behaviour and macro-economic performance in a variety of ways including policy mistakes due to measurement errors in national account statistics; volatility in exchange and interest rates due to unanticipated cross border transfer of funds; the threat of monetary instability due to unsound asset structures; effects on tax collection and public expenditure allocation due to misreporting of income and many more such ways.

Macroeconomic Consequences of Money Laundering

The integrity of the banking and financial services marketplace is heavily reliant on the perception that it functions within a framework of high legal, professional and ethical standards. A reputation for integrity is perhaps one of the most valuable assets of a financial system and institution. Therefore, on a macro level, money laundering poses a risk to confidence in the financial system and its institutions. *"The soundness and confidence in the financial system as a whole could be seriously jeopardised thereby losing the trust of the public..."* if the financial system is caught laundering criminal proceeds.

Other potential macroeconomic consequences of unchecked money laundering have been cited by the International Monetary Fund as inexplicable changes in money demand, contamination effects on legal financial transactions and increased volatility of international capital flow and exchange rates owed to unanticipated cross-border asset transfers. The latter point is especially important and poses a big risk to financial system as money laundering has a direct effect on the Foreign Exchange Market (FOREX) of an economy. The FOREX market is vulnerable owed to the volume of cash involved in the trade. The apparent fund movement, especially from illegal sources, from one jurisdiction to another is capable of exacerbating the exchange rate volatility. This can be devastating especially when there is no corresponding increase in production: hence the domino effect on regulating cash flow and inflation.

Social and Political Costs.

There are also social and political costs of money laundering, which have the capacity to be serious if left unchecked or dealt with ineffectively.. Organised crime syndicates can infiltrate financial institutions and acquire control of large sectors of the economy through investment. Organised crime syndicates are in an opportune position to offer bribes to public officials and indeed governments. This implies corruption and laundering go hand in hand. The influence of organised crime syndicates in the economic and political sphere can weaken the social fabric, collective ethical standards and ultimately the democratic institutions of society.
However, what is probably of most importance is the fact that money laundering is inextricably linked to the underlying criminal activity that generated it. Laundering enables criminal activity to continue. It is the dynamic that allows criminal activity of all descriptions to grow and expand. This process –the delivery channel of clean funds –is now so embedded in the 'normal' business environment that chances of controlling it are small and therefore chances of eradicating it are slim to nothing.

There are lots of money-laundering **techniques** that authorities know about and probably countless others that have yet to be uncovered. Here are some of the more popular ones:

- **Structuring deposits** Also known as **smurfing,** this method entails breaking up large amounts of money into smaller, less-suspicious amounts. The money is then deposited into one or more bank accounts either by multiple people (smurfs) or by a single person over an extended period of time.
- **Overseas banks** Money launderers often send money through various "offshore accounts" in countries that have bank secrecy laws, meaning that for all intents and purposes, these countries allow anonymous banking. A complex scheme can involve hundreds of bank transfers to and from offshore banks. According to the International Monetary Fund, "major offshore centers" include the Bahamas, Bahrain, the Cayman Islands, Hong Kong, Antilles, Panama and Singapore.
- **Underground/alternative banking** Some countries in Asia have well-established, legal alternative banking systems that allow for undocumented deposits, withdrawals

and transfers. These are trust-based systems, often with ancient roots, that leave no paper trail and operate outside of government control. This includes the *hawala* system in Pakistan and India and the *fie chen* system in China.

Hawala – Hawala is an alternative or parallel remittance system. It exists and operates outside of, or parallel to 'traditional' banking or financial channels. It was developed in India, before the introduction of western banking practices, and is currently a major remittance system used around the world. In hawala networks the money is not moved physically. A typical hawala transaction would be like a resident in USA of Indian origin doing some business wants to send some money to his relatives in India. The person has option either to send the money through formal channel of banking system or through the hawala system. The commission in hawala is less than the bank charges and is without any complications for opening account or visit the bank, etc. The money reaches in to the doorstep of the person's relative and the process is speedier and cheaper. Cyber Crime – Now one has to confront with hybrid crimes, the crimes with many attributes. According to Capt. Raghu Raman, "Five types of crimes are now converging. Cyber crimes such as identity theft, illegal access to e-mail, and credit card fraud are coming together with money laundering and terrorist activities. Large amounts of money is now stored in digital form. Now you can transfer money through electronic and online gateways to multiple accounts." This convergence leads to a greater problem of tackling of different issues at one time. (Read ahead)

Shell companies These are fake companies that exist for no other reason than to launder money. They take in dirty money as "payment" for supposed goods or services but actually provide no goods or services; they simply create the appearance of legitimate transactions through fake invoices and balance sheets.

Investing in legitimate businesses Launderers sometimes place dirty money in otherwise legitimate businesses to clean it. They may use large businesses like brokerage firms or casinos that deal in so much money it's easy for the dirty stuff to blend in, or they may use small, cash-intensive businesses like bars,car washes, strip clubs or check-cashing stores. These businesses may be "front companies" that actually do provide a good or service but whose real purpose is to clean the launderer's money. This method typically works in one of two ways: The launderer can combine his dirty money with the company's clean revenues -- in this case, the company reports higher revenues from its legitimate business than it's really earning; or the launderer can simply hide his dirty money in the company's legitimate bank accounts in the hopes that authorities won't compare the bank balance to the company's financial statements.

Most money-laundering schemes involve some combination of these methods, although the Black Market Peso Exchange is pretty much a one-stop-shopping system once someone smuggles the cash to the peso broker. The variety of tools available to launderers makes this a difficult crime to stop, but authorities do catch the bad guys every now and then. In the next section, we'll take a look at two busted money-laundering operations.

International efforts to control

Money laundering is a crucial step in the success of drug trafficking and terrorist activities, not to mention white collar crime, and there are countless organizations trying to get a handle on the problem. Because global financial systems play a major role in most high-level laundering schemes, the international community is fighting money laundering through various means, including the Financial Action Task Force on Money Laundering (FATF), which as of 2014 has 34 member states and organizations. The United Nations, the World Bank and the International Monetary Fund also have anti-money-laundering divisions. India is a member.

The United Nations Office on Drugs and Crime maintains the *International Money Laundering Information Network*, a website that provides information and software for anti-money laundering data collection and analysis. The World Bank has a website in which it provides policy advice and best practices to governments and the private sector on anti-money laundering issues.

- Basel Committee on Banking Regulations and Supervisory Practices The Basel Statement of Principles on the prevention of criminal use of the banking system was a significant breakthrough on the financial front to have some controlling mechanism for money-laundering on an international plane.
- UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances: This UN Convention was one of the historic conventions inasmuch as the parties to the Convention recognized the links between illicit drug traffic and other related organised criminal activities which undermine the legitimate economies and threaten the stability.
- GPML – The Global Programme against Money Laundering was established in 1997 GPML mandate was strengthened in 1998 by the United Nations General Assembly Special Session (UNGASS) Political Declaration and Action Plan against Money Laundering which broadened its remit beyond drug offences to all serious crime. Three further Conventions have been adopted / specify provisions for AML/CFT related crimes:
- International Convention for the Suppression of the Financing of Terrorism (1999)
- UN Convention against Transnational Organized Crime (2000)
- UN Convention against Corruption (2003)
- FTAF: The **Financial Action Task Force (on Money Laundering) (FATF)** is an intergovernmental organization founded in 1989 on the initiative of the G7.The purpose of the FATF is to develop policies to combat money laundering and terrorism financing. The FATF Secretariat is housed at the headquarters of the OECD in Paris..
- International Money Laundering Information Network (IMoLIN): IMoLIN is an Internet-based network assisting governments, organizations and individuals in the fight against money laundering and the financing of terrorism
- Wolfsberg AML Principles: This gives eleven principles as an important step in the fight against money laundering, corruption and other related serious crimes.

Egmont Group of Financial Intelligence Units:The Egmont Group is the coordinating body for the international group of Financial Intelligence Units (FIUs) formed in 1995 to promote and enhance international cooperation in anti-money laundering and counter-terrorist financing.

Asia-Pacific Group on Money Laundering (APG):The Asia/Pacific Group on Money Laundering (APG) is an international organisation consisting of 38 member countries/jurisdictions and a number of international and regional observers including the United Nations, IMF and World Bank. The APG is closely affiliated with the FATF based in the OECD Headquarters at Paris, France. All APG members commit to effectively implement the FATF's international standards for anti-money laundering and combating financing of terrorism.

India

With its growing financial strength, India is vulnerable to money laundering activities even though the country's strict foreign exchange laws make it difficult for criminals to launder money. International Narcotics Control Strategy Report by Bureau for International Narcotics and Law Enforcement Affairs emphasizes India's Vulnerability to money-laundering activities in following words: "India's emerging status as a regional financial center, its large system of informal cross-border money flows, and its widely perceived tax avoidance problems all contribute to the country's vulnerability to money laundering activities. Some common sources of illegal proceeds in India are narcotics trafficking, illegal trade in endangered wildlife, trade in illegal gems (particularly diamonds), smuggling, trafficking in persons, corruption, and income tax evasion. Historically, because of its location between the heroin-producing countries of the Golden Triangle(Myanmar, **Thailand** and Laos) and Golden Crescent(Iran, Pakistan and Afghanistan), India continues to be a drug-transit country."

Money-laundering in India has to be seen from two different perspectives, i.e., Money laundering on international forum and Money-laundering within the country. As far as the cross-border money-laundering is concerned India's historically strict foreignexchange laws and reporting norms have contributed to a great extent to control money laundering on international forum. However, there has been threat from informal transactions like 'Hawala'. According to Indian observers, funds transferred through the hawala market are equal to between 30 to 40 percent of the formal market. The Reserve Bank of India (RBI), India's central bank, estimates that remittances to India sent through legal, formal channels in 2013 amounted to about U.S. $ 70 billion. Due to the large number of expatriate Indians in North America and the Middle East, India continues to retain its position as the leading recipient of remittances in the world.In India, before the enactment of the Prevention of Money Laundering Act 2002 (PMLA-02), the following statutes addressed scantily the issue in question:

- The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
- The Income Tax Act, 1961
- The Benami Transactions (Prohibition) Act, 1988
- The Indian Penal Code and Code of Criminal Procedure, 1973
- The Narcotic Drugs and Psychotropic Substances Act, 1985
- The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988

However, this was not sufficient with the growth of varied areas of generating illegal money by selling antiques, rare animal flesh and skin and many such varied new areas of generating money which was illegal. Money-laundering was an effective way to launder the black money (wash it to make it clean) so as to make it white. The international initiatives as discussed above to obviate the threat not only to financial systems but also to the integrity and sovereignty of the nations and the recent Hawala episode in India triggered the need for an anti money-laundering law. In view of the urgent need for the enactment of a comprehensive legislation inter alia for preventing money laundering and connected activities, confiscation of proceeds of crime, setting up of agencies and mechanisms for coordinating measures for combating money-laundering etc., the PML Act 2002 came into force in 2005. The amended version came into force in 2013.

Money laundering and stock markets

Laundering of money through stock markets is not a new phenomenon globally. The Financial Action Task Force (FATF) on money laundering conducted a study in 2009 titled

"Money Laundering and Terrorist Financing in Securities Sector" which concludes that "use of securities market for money laundering is an actual threat, use of the same for terrorist financing poses a serious risk".

Fears about incidence of money laundering in the Indian stock markets have been confirmed by the statement made by the Indian Home Minister Mr. Sushil Kumar Shinde at the Interpol conference in Rome in November 2012. Mr.Shinde stated that "It is a cliché to say that terror-funding is the lifeblood of terrorism. Credible intelligence suggests terrorist outfits are investing in stock markets through spurious companies, setting up fictitious businesses and laundering money."

This is not the first time such a statement has been made. In 2007, Mr. M.K. Narayanan, the then National Security Advisor affirmed that terror outfits were reportedly using the Chennai and Mumbai stock exchanges for investing in stock markets through fictitious companies whose links were traceable to some terror outfits.

The Finance Ministry's "White Paper" on "Black Money", 2012 states that two topmost sources of the cumulative financial inflows from April 2000 to March 2011 are Mauritius (41.80 per cent) and Singapore (9.17 per cent). These inflows are not in proportion with the size of their individual economies, and are suspected to be funds of resident Indians which are routed through countries to avoid taxes by a process known as "round tripping" concealing the identity of the investor.

The report also states that "Investment in the Indian Stock Market through Participatory Notes (PN) is another way in which the black money generated by Indians is re-invested in India. The ultimate beneficiaries/investors through the PN route could be Indians and the source of their investment may be black money generated by them. It is at this juncture, that analyzing the possible role of Participatory Notes (PN) in the proliferation and as a conduit for money laundering in India becomes imperative.

In recent times, terror groups have evolved into hybrid organisations combining focus on terror attacks with a high level of financial skills which are seen with global criminal syndicates. Thus, there is a strong possibility that criminally laundered funds are routed back to India through the stock markets by groups linked to terrorism.

Causes of Increase in Money Laundering and Inability to Control

There are various causes for increase in Money Laundering and the few of them can be enlisted as follows which is popularly known as 'Features of an Ideal Financial Haven':

- No deals for sharing tax information with other countries –
- Corporate Secrecy Laws – as the corporate law of certain countries enables launderers to ide behind shell companies.
- Tight Bank Secrecy Laws
- A Government that is Relatively Invulnerable to Outside Pressures (Swiss government)
- Increase in sophistication and employment of professional people for doing the task

Liberty Reserve

In 2013, Liberty Reserve, a major global online cash transfer business run out of Costa Rica, has been shut down and its executives arrested to face U.S. charges of laundering $6 billion. According to U.S. Attorney, "Liberty Reserve has become a financial hub of the cybercrime world, facilitating a broad range of online criminal activity including credit card fraud, identity theft, investment fraud, computer hacking, child pornography and narcotics trafficking." According to the indictment, it moved tens of millions of dollars through shell company accounts maintained in Cyprus, Russia, Hong Kong, China, Morocco, Spain and Australia, among other places.

Bitcoins

Bitcoin is a cryptocurrency that can be transferred through a computer or smartphone without an intermediate financial institution. The concept was introduced in 2008 It is a peer-to-peer, electronic cash system.The processing of Bitcoin transactions is secured by servers called bitcoin miners. These servers communicate over an internet-based network and confirm transactions Bitcoin is accepted in trade by merchants and individuals in many parts of the world. Like other currencies, illicit drug and gambling transactions constitute some of its commercial usage. Although the bitcoin is promoted as a digital currency, many commentators are worried about the bitcoin's volatile exchange rate, relatively inflexible supply, high risk of loss, tax evasion etc.

The Bitcoin industry is getting more eyeballs from authorities in various countries, who are seeking to understand the virtual currency's role in their economy and form regulations to govern the whole ecosystem — as a testimony to the rise of Bitcoin's popularity and the subsequent concerns that arise from using it.

After Thailand ruled Bitcoin as illegal and banned it in July 2013, the US has stepped into the fray as it announced plans to start investigating the virtual currency, seeking to understand and provide regulatory framework,".

At the same time, India's central bank has spoken up to say that it is "watching" Bitcoin, though it has no intention of regulating the currency now.

The Reserve Bank of India had previously acknowledged, however, that virtual currencies "pose challenges in the form of regulatory, legal and operational risks."

In June, US authorities were examining the use of virtual currencies such as Bitcoin amid fears that Americans were using them to evade taxes.

The growing use of digital currency will result in rise in cyber laundering as hacking attacks and online scams take centre stage on Internet, says a latest report. It said the Indian banks and authorities should be alert to money laundering using online black-money route and other techniques as they will expand with the use of digital currency.

"This new techniques of money laundering (using digital currency) includes opening accounts with low cost and little known payment gateways, buying digital currencies, purchasing stolen data, setting up online shops with payment gateways".

Digital currency is the alternative to the traditional currency, which is used in online transactions.

"Traditional money laundering has often been a secondary process - preceded by an illegal activity, such as drug trafficking but the liberty reserve case(see above) shows that data thefts, hacking attacks and online scams are replacing the traditional crimes and the digital currency is now at the centre of the laundering operations.".

Currently, digital currencies are neither produced by government-endorsed central banks nor necessarily backed by the national currency.

Digital currency is decentralised, controlled by its users rather than the governments."This means it is anonymous, and that, unlike credit cards and PayPal, which block payments from a number of countries, it enables instant payments to anyone, from anywhere in the world."That's why criminals along with some online retailers love it. It is money without any sort of safety net underneath. There's no legislation to protect investment.

PMLA 2012
Prevention of Money laundering Act (PMLA) was enacted in 2002, but was amended thrice, first in 2005, then in 2009 and then 2012. The 2012 version of the amendment received president's assent on January 3, 2013 and the law became operational from February 15 on the notification of finance ministry.

Amendments

- The PMLA (Amendment) Act, 2012 has enlarged the definition of money laundering by including activities such as Concealment, acquisition, possession and use of proceeds of crime as criminal activities.
- Rigorous imprisonment of at least 3 years and up to 7 years
- No upper limit on Fines (earlier it was up to Rs 5 Lakh)
- It will also put the onus on banks, financial institutions, intermediaries or a person carrying on a specified business to report such instances by introducing the concept of a "reporting entity".
- The amendment will also link the provisions of Indian law with laws of other countries.
- It also proposes to make a provision for attachment and confiscation of the proceeds of crime even if there is no conviction, so long as it is proved that a specific property was involved in money-laundering.
- power of Indian courts restored over other foreign courts.
- to monitor money laundering through stock markets and trade. Only financial transactions above a certain level should be monitored to avoid over burdening of existing staff.

Amendments will help India bring its anti-money laundering legislation on par with international standards. It will also address the deficiencies in the present Act that have been experienced by the implementing agencies. It also provides for appeal against an order of the Appellate Tribunal directly to the Supreme Court.