



Observatoire ARGA

Report on Sanctions and Compliance for 2025

**Shadow Economy of Capital Evacuation from Russia, China,
Kazakhstan, Belarus and Azerbaijan**

**The New Geography of Offshore Zones, Grey Hubs and
Transnational Legalization of Assets**

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Table of Contents

<i>Executive Summary</i>	3
<i>Methodology</i>	4
<i>Introduction: The political-economic nature of capital flight</i>	6
<i>The geography of the new offshore system</i>	7
3.1. Middle East: UAE, Qatar, Bahrain.....	7
<i>Channels and Instruments of Capital Evacuation</i>	10
1. Corporate Schemes.....	10
2. Banking Infrastructure.....	11
4. Logistical and Trade Schemes.....	12
<i>Classification of Actors</i>	13
1. State Groups and Security Elites.....	13
2. Private Entrepreneurs and Corporate Groups.....	13
3. Professional Intermediaries.....	13
<i>Case Studies</i>	14
Case 1 — Russia → UAE → Kazakhstan → EU.....	14
Case 3 — Kazakhstan → Armenia → OTC Market → USDT → Panama.....	16
<i>Global Impact: Risks for International Law and Security</i>	16
<i>Forecast 2025–2027</i>	18
1. Tightening of Controls in the UAE and Kazakhstan.....	18
2. Regulation of Cryptocurrency OTC Platforms.....	18
3. Growing Role of Southeast Asia.....	18
4. Intensification of Corporate Wars in Eurasia.....	19
5. Emergence of a Global Map of “Grey Jurisdictions”.....	19
<i>Recommendations of ARGA Observatory</i>	19
<i>Conclusion</i>	20
<i>Sources</i>	21

Executive Summary

Shadow transnational capital migration from authoritarian and semi-authoritarian Eurasian states has created a new global financial landscape in which traditional offshore zones no longer dominate. Beginning in 2020–2024, political consolidation, intensified pressure from security services, expanding state control over business, and the sanctions-driven fragmentation of the world economy have led to a massive redistribution of financial flows.

Russia, China, Kazakhstan, Belarus and Azerbaijan are simultaneously experiencing a sharp rise in political and regulatory risk. These states demonstrate:

- an increase in economic-criminal prosecutions;
- tighter control over cross-border transactions;
- growing politicization of AML/KYC procedures;
- tougher currency and export-control laws;
- pressure from international sanctions regimes.

In this environment, capital evacuation is no longer a private decision of individual entrepreneurs but a structural element of economic behaviour among elites, corporations and high-net-worth individuals. A stable shadow-financial ecosystem is forming, in which asset outflow mechanisms function as a system of adaptation to domestic regulatory threats and external restrictions.

The geography of offshoring is shifting from traditional Anglo-Saxon jurisdictions to hybrid financial zones — the UAE, Turkey, the South Caucasus, Central Asia, the Balkans and Southeast Asia. These regions operate not merely as registration points but as full-scale infrastructures comprising:

- shadow banking networks;
- OTC cryptocurrency platforms;
- multi-jurisdictional re-export hubs;
- pseudo-offshore consulting and trust structures;
- nonlinear circuits of digital and trade-financial flows.

In this configuration, offshore is no longer a place — it becomes a network property. This generates new risks for states, global banks and investors:

- disappearance of transparent ownership chains;
- erosion of traditional due-diligence mechanisms;
- blending of licit and illicit assets;
- emergence of a parallel capital market beyond regulators' reach;

— heightened vulnerability to politically-motivated investigations.

The ARGA Observatory report identifies the key routes, actors, instruments and risks that shape the modern architecture of the shadow capital economy. The analysis is based on case studies, OSINT, AML/KYC datasets, sanctions registers and expert comparative evaluation across the region.

Methodology

The report is based on a comprehensive interdisciplinary study combining economic analysis, OSINT, criminology, political economy, fintech analytics and legal expertise. The methodological approach consists of several levels.

1. Capital flow analysis (IMF, BIS, OECD, UNCTAD)

Macroeconomic databases of the International Monetary Fund, Bank for International Settlements, the Organisation for Economic Co-operation and Development, and UNCTAD were used. These datasets allow the team to:

- trace official and concealed cross-border flows;
- correlate capital outflow volumes with political cycles;
- identify discrepancies between declared reporting and real movement of funds.

2. Examination of corporate registries and beneficial ownership structures

Corporate registers of the UAE, Cyprus, Hong Kong, the United Kingdom, Armenia, Turkey and Kazakhstan were analysed. The work included:

- reconstruction of ownership chains;
- identification of affiliated entities;
- assessment of structures linked to politically sensitive individuals;
- analysis of trusts, SPVs and ownership transfers.

3. Study of cryptocurrency flows and OTC markets

The research covered:

- monitoring USDT/USDC channels;
- analysis of OTC dealers in the UAE, Turkey, Kazakhstan, Georgia and Hong Kong;
- transaction-path analytics (chain analytics);
- evaluation of “pseudo-banking” schemes in P2P markets.

Both external analytic tools and internal ARGAs Observatory models were applied.

4. Monitoring of court and criminal cases

The dataset included cases concerning:

- capital flight;
- corporate conflicts;
- transnational investigations;
- politically motivated financial persecution.

Judicial databases, economic-crime rulings, international requests and Interpol files were examined.

5. Interpol, FATF, FinCEN, Kazakhstan FIU, UAE FIU datasets

Open-source and expert data from international institutions was utilised, including:

- FATF and Moneyval assessment reports;
- FinCEN advisories and typology bulletins;
- FIU notices and analytical releases;
- Interpol public statistics on cross-border requests.

These sources enabled evaluation of how states construct financial predicates and externalise risk beyond their own jurisdictions.

6. Confidential source intelligence

The report relies on anonymised information obtained from experts in:

- the banking sector (compliance, AML, EDD);
- logistics companies operating on parallel-import routes;
- fintech infrastructures and cryptocurrency services;
- participants in corporate disputes.

These inputs supplemented official statistics and enabled reconstruction of concealed transactional schemes.

7. ARGA Observatory research 2022–2025

The following were incorporated:

- previous analytical reports;
- the ARGA OSINT archive;

- the case database (public + NDA-protected);
- data on politically motivated financial investigations;
- studies on cross-border risks and AML/sanctions abuse.

8. Comparative analysis of corporate conflicts and persecution cases

The report applies a case-clustering approach involving:

- comparison of 47 corporate-pressure cases;
- identification of repeating capital-exfiltration patterns;
- correlation between economic politicisation and the scale of shadow flows;
- construction of the model *“financial repression escalation vs. capital economic emigration.”*

The methodology integrates macroeconomic datasets, legal documentation, behavioural business modelling, fintech analytics and transnational OSINT, providing the most accurate and comprehensive picture of contemporary shadow capital migration.

Introduction: The political-economic nature of capital flight

Transboundary capital evacuation from authoritarian and semi-authoritarian Eurasian states is not a spontaneous phenomenon, but a systemic adaptation mechanism used by elites, businesses and private individuals in response to an increasingly restrictive political-economic environment. In jurisdictions where institutions operate selectively and state oversight intensifies, capital begins to behave as a politically sensitive actor — “voting” not only against fiscal pressure, but against unpredictability of power itself.

The contemporary model of capital flight in Russia, China, Kazakhstan, Belarus and Azerbaijan is driven by three core factors.

1. Political risk

Political risk in Eurasia has taken the form of structural pressure, including:

- growth of economic criminal prosecutions;
- expanded powers of security and tax agencies;
- corporate raiding and administrative expropriation of assets;
- selective law enforcement and politically motivated investigations;
- threats to personal security of entrepreneurs and their families.

In such an environment, a jurisdiction is perceived not as an economic space, but as a source of potential confiscation or asset freeze. Financial emigration becomes a rational mechanism of asset preservation, rather than merely a tool of tax optimisation.

2. Sanctions pressure

After 2022, the sanctions regime became a fundamental force reshaping cross-border capital flows. Businesses and private holders are affected by:

- foreign account freezes;
- export prohibitions on technology and equipment;
- restricted access to SWIFT and international settlements;
- reinforced banking compliance in the EU, US, UK and UAE;
- secondary sanctions targeting intermediary companies.

Sanctions created conditions in which even fully legal capital increasingly moves through grey pathways, relying on quasi-offshore jurisdictions, cryptocurrency structures and opaque financial instruments.

3. Economic uncertainty

Economic dynamics amplify political risk through:

- currency devaluation;
- dependence on commodity markets;
- declining trust in domestic banking systems;
- restrictions on cross-border transfers and capital controls;
- reduced investment predictability.

When economic and political volatility overlap, a stable architecture of forced financial migration emerges — a model in which capital outflow becomes structural rather than exceptional.

The geography of the new offshore system

The contemporary offshore architecture shaped by sanctions, political risk and technological transformation of financial markets is no longer limited to traditional Caribbean jurisdictions. Instead, a new network of pragmatic offshore hubs is emerging — territories that combine relative political neutrality, flexible regulation, strategic geography and willingness to service high-risk capital. This system consists of at least six clusters, each performing a unique role in the capital migration from Russia, China, Kazakhstan, Belarus and Azerbaijan.

3.1. Middle East: UAE, Qatar, Bahrain

The region is becoming the core of the new offshore model, blending flexible regulation with advanced financial infrastructure.

Key features include:

- absence of secondary sanctions, giving capital from high-risk countries mobility and survivability;
- developed SPV, trust and holding frameworks enabling asset dilution and concealed beneficial ownership;
- the world's largest OTC USDT market (Dubai, Abu Dhabi), enabling rapid liquidation and transfer of digital assets;
- banks servicing high-risk clients offset exposure through high fee structures;
- hybrid compliance (formal AML + informal tolerance toward CIS capital) ensures continuous inflow of politically sensitive funds.

The UAE acts as the primary hub, Qatar as a jurisdiction for corporate structuring, while Bahrain specialises in fintech and digital finance pipelines.

3.2. South Caucasus: Georgia, Armenia, Azerbaijan

This cluster has transformed into a “Eurasian proxy-offshore” zone with high financial flexibility and strategically important geography.

Key characteristics of the region:

- low payment transparency and weak integration into EU control systems;
- “international company” regimes enabling minimal taxation and reduced disclosure;
- functioning as logistics and re-export hubs for Russia, Iran and Turkey;
- rapid expansion of crypto platforms, P2P channels and fintech services;
- widespread use of nominee directors and service-based corporate structures.

Georgia functions as the leading fintech hub, Armenia as a bank-friendly jurisdiction, and Azerbaijan as a logistics-technology node.

3.3. Central Asia: Kazakhstan, Kyrgyzstan, Uzbekistan

Central Asia operates as a zone for “re-packaging” the origin of capital and goods, as well as a platform for bypassing export controls.

Core features:

- use of the EAEU as a “corridor” outside direct EU/US oversight;
- hybrid banking systems allowing multilayered transfers;
- jurisdictions for altering product origin through re-documentation;

- sharp growth of companies with Russian and Chinese beneficiaries (especially in free economic zones);
- active involvement in parallel-import logistics.

Kazakhstan serves as the main regional hub, while Kyrgyzstan and Uzbekistan function as channels for “grey export” and small-scale offshore structures.

3.4. Southeast Asia: Hong Kong, Singapore, Malaysia

The region represents an advanced next-generation offshore ecosystem, centred on digital assets, multi-layered corporate structures and legal engineering.

Distinctive features:

- complex holding and sub-holding chains designed to conceal ownership;
- major Asian hubs of crypto-infrastructure;
- use of Hong Kong proxy-companies by Chinese elites;
- developed networks of legal intermediaries providing “route legalisation” services;
- high technological maturity (API-banking, AML modules, multi-currency accounts).

Hong Kong and Singapore act as global centres, while Malaysia is an emerging low-cost proxy hub.

3.5. The Balkans: Serbia, Montenegro

The Balkans are becoming a “European blind spot” due to their hybrid political positioning and economic openness to capital from the CIS.

Key characteristics:

- neutrality toward Western sanctions regimes;
- a policy of “financial friendliness” toward Russian, Belarusian and Kazakh business;
- involvement of banks and law firms in grey routes for cryptocurrencies and cash;
- convenient channels for obtaining residence permits and establishing companies under accelerated procedures.

Serbia functions as the key gateway into Europe, while Montenegro serves as an offshore-style “first mile” for digital assets.

3.6. Latin America: Panama, Uruguay, Brazil

The region is emerging as a new “remote offshore” destination for Eurasian capital.

Main characteristics:

- intermediary companies for cryptocurrency and fintech operations;
- so-called “nominal banking services” (pass-through banking);
- flexible rules for opening accounts;
- use of trading companies for re-export and fictitious supply chains;
- high resilience to political pressure from the EU and the US.

Panama serves as a corporate offshore hub, Uruguay as a safe haven for family capital, and Brazil as an emerging centre for digital assets.

Channels and Instruments of Capital Evacuation

Transnational capital migration from authoritarian and semi-authoritarian states of Eurasia does not develop chaotically; it follows a stable structural logic. ARGA Observatory identifies four systemic layers of capital outflow — corporate, banking, digital and logistical. Each forms its own segment of the shadow economy while simultaneously reinforcing the others.

1. Corporate Schemes

The corporate layer is the primary source of “legalized” capital flight. Companies create formal grounds for transferring funds abroad under the guise of commercial necessity.

Key mechanisms:

— **Fictitious over-invoicing**

A company artificially inflates the value of exported goods or services, sending abroad the “excess” amount. The difference remains on accounts of affiliated entities in the UAE, Hong Kong, Armenia or Serbia.

— **Transfer pricing manipulation**

Corporations build networks of dependent entities that buy raw materials or services at under- or over-valued prices. Profits shift to jurisdictions with weaker oversight.

— **Invoice engineering**

Use of duplicate invoices, pseudo-services, and marketing/consulting contracts to transfer money abroad. In 70–80% of cases, the services are not actually rendered.

— **Hidden dividend channels**

Payments are disguised as loan repayments, royalties, franchise fees or transfer commissions.

— **Fictitious consulting, IT and marketing services**

One of the most widespread models: services exist legally but are not performed in practice, enabling a “white” pathway for capital outflow.

The corporate layer provides the *legal shell* that allows businesses to avoid direct violations of currency control rules and reduce the likelihood of AML blocks.

2. Banking Infrastructure

The banking layer forms the supporting framework of capital flight. Monetary flows move through sequences of banks and accounts, creating an illusion of legitimacy and complicating the tracking of origin.

Core instruments:

— Banks in the UAE, Armenia, Kazakhstan, Georgia

These jurisdictions accept clients from Russia, China, Kazakhstan, Belarus and Azerbaijan without strict secondary-sanctions scrutiny.

— Transit accounts

Short-term accounts through which funds circulate for only 24–48 hours.

— Multi-step layering

Splitting a large sum into dozens of transactions across various banks to break the traceability of the payment chain.

— Nested correspondent schemes

Use of small banks that have access to correspondent accounts of larger international financial institutions. Payments pass through institutions that major banks themselves would refuse to process directly.

The banking infrastructure acts as a mechanism for blurring audit trails and creating the appearance of ordinary commercial activity.

3. Digital Assets and Cryptocurrencies

The cryptocurrency layer has become a critical component of capital outflow since 2022–2023—particularly for Russia, China and Kazakhstan. Its appeal lies in speed, decentralization and the absence of a unified regulator.

Key instruments:

— OTC pools in Dubai, Hong Kong, Tbilisi

Informal brokers exchange large volumes of USDT/USDC for cash or bank transfers.

— USDT–USDC–fiat transactions

Capital is converted into stablecoins, then into another cryptocurrency, and only afterward exchanged into fiat in a safer jurisdiction.

— **Mixing routes**

Automated services split transactions into hundreds of micro-transfers, complicating traceability.

— **Offshore crypto brokers**

Unlicensed platforms operating in “grey zones.” Commonly serve clients from the CIS without KYC.

— **High-risk P2P channels**

Peer-to-peer exchanges between private individuals with no control over the source of funds.

Digital assets operate as an “instant offshore”, enabling users to conceal the origin of funds within minutes.

4. Logistical and Trade Schemes

The logistical layer serves as the cementing channel of capital-flight structures. Goods, documents and international shipping provide the physical and documentary cover for financial movements.

Primary methods:

— **Re-documentation of goods’ origin**

Changing paperwork that confirms country of origin or end buyer. Widely used in Georgia, Kazakhstan and the UAE.

— **Multilateral shipping routes**

Cargo travels through 3–5 countries, complicating oversight.

— **Overvaluation of raw materials and goods**

Artificial inflation of shipment value to transfer funds under the guise of commercial payments.

— **Transit via the EAEU**

Russian and Kazakh companies use the customs regime of the Eurasian Economic Union as a “regulatory tunnel” not fully controlled by the EU.

Logistical schemes form the material layer of capital outflow, providing documentary justification for financial flows.

Classification of Actors

Shadow transnational capital migration is not a spontaneous process but a complex system of interactions among different groups of actors connected through political interests, economic incentives and infrastructural capabilities. ARGA Observatory identifies four stable classes of participants, each playing a specific role in the capital-evacuation mechanism.

1. State Groups and Security Elites

This category generates the initiating pressure that creates the very need for capital flight. In authoritarian and semi-authoritarian states, government structures become direct participants in economic processes, influencing the distribution of property and financial flows.

Role and Mechanisms:

- Officials controlling market access create institutional barriers and permissions (licences, quotas, inspections), turning them into instruments of pressure.
- Security clans linked to the Prosecutor's Office, Interior Ministries, KNB, FSB, SGB and similar agencies use criminal cases and tax audits to seize or reallocate assets.
- Administrative pressure often serves as a prelude to forced capital relocation, where an entrepreneur is effectively compelled to move assets abroad and transfer part of their business structure in exchange for safety.

This group creates the primary trigger for capital migration.

2. Private Entrepreneurs and Corporate Groups

These are the principal holders of capital who must adapt to pressure or engage in schemes for protection, relocation and rebalancing of assets.

Main categories:

- Business owners facing state pressure are forced to extract and move assets abroad to avoid criminal prosecution, raiding or sanction-related restrictions.
- Participants in corporate conflicts use capital-migration schemes as a tactical instrument in the struggle for control—relocating funds to safe jurisdictions before negotiations or litigation.
- Investors and beneficiaries protecting foreign assets rely on offshore structures, trusts, SPVs, crypto-routes and fintech accounts.

This group forms the core client base of the new shadow financial ecosystem.

3. Professional Intermediaries

This is the system's infrastructure. Without intermediaries, capital evacuation cannot function as a transnational mechanism.

Key types:

- **Legal firms** structure transactions, create SPVs and trusts, set up nominee companies, and provide corporate protection and international asset “re-packaging.”
- **Logistics brokers** organize grey-export channels, re-export routes and re-documentation of goods’ origins.
- **Fintech companies** provide alternative payment routes, multi-currency accounts, e-wallets and payment gateways.
- **Cryptocurrency operators and OTC brokers** offer fast and minimally regulated avenues for transferring funds.

Professional intermediaries create the operational fabric linking political pressure, financial flows and international infrastructure.

4. Criminal Structures

Although they are not the core of the processes under review, criminal groups complement the system by providing mechanisms that cannot be implemented through standard means.

Key functions:

- Money-laundering networks create complex transit chains via off-grid banks, informal exchange platforms and asymmetric jurisdictions.
- Cybercriminal groups provide routing for digital assets, including mix-pools and technological services for hiding transaction trails.
- Intermediaries in the illicit goods trade organise schemes involving raw materials, gold, electronics and other commodities, enabling the justification of capital outflows through trade operations.

Criminal structures form a shadow layer that enhances the effectiveness of schemes under high political pressure or restrictive sanctions.

Case Studies

Below are three typical but anonymised cases illustrating the key capital-evacuation routes from authoritarian and semi-authoritarian regimes of Eurasia. Each case has its own logic, set of intermediaries and combination of channels. The examples are based on real ARGV Observatory cases (public and NDA).

Case 1 — Russia → UAE → Kazakhstan → EU

Scenario: corporate capital outflow + logistics-based scheme + banking re-packaging.

Mechanics:

— **Re-documentation of goods**

A Russian company registers its export through a partner firm in the UAE, where the declaration of origin is changed.

Documents list the UAE, rather than Russia, as the source.

— **Export of pseudo-services**

Invoices are issued for “marketing research” and “logistics support,” which are not actually provided.

Funds are transferred abroad via accounts in Dubai.

— **Transit through subsidiaries in Kazakhstan**

A Kazakh entity acts as an intermediary to legitimise turnover using the EAEU status.

The funds are then moved to the EU through several layers of corporate accounts.

Result: capital reaches the EU disguised as transactions originating from the UAE/Kazakhstan, reducing the risk of blockage due to Russian origin.

Case 2 — China → Hong Kong → Serbia → Switzerland

Scenario: corporate structuring + equipment overvaluation + nominee ownership.

Mechanics:

— **Equipment overvaluation**

A Chinese industrial group sells equipment to its Hong Kong subsidiary at an inflated price.

The surplus remains on the Hong Kong account.

— **Corporate funnels**

The Hong Kong entity transfers funds to Serbia, where a sub-holding structure is registered and managed by local lawyers.

Several S.A. and LLC companies are used.

— **Nominee ownership**

The Serbian sub-holding is registered under nominee directors, disconnecting the transactions from the original Chinese beneficiaries.

The funds are then wired to Switzerland as “payment for supplies” or “investment inflows.”

Result: capital enters Europe through a chain in which the original source is masked by neutral jurisdictions.

Case 3 — Kazakhstan → Armenia → OTC Market → USDT → Panama

Scenario: fintech-driven scheme with a cryptocurrency layer and reverse repatriation of funds.

Mechanics:

— **Fintech routing**

A Kazakh company opens an account in Armenia, where the policy toward high-risk clients is more flexible.

Funds move through Armenian fintech services.

— **Cryptocurrency layering**

In Armenia, the funds are converted into USDT via OTC desks in Yerevan/Tbilisi, followed by a chain of micro-transactions (mixing).

— **Reverse repatriation of capital**

After another exchange cycle, USDT is transferred to Panama, where it is cashed out into fiat through an offshore brokerage account.

Result: capital leaves Kazakhstan, passes through cryptocurrency circuits, and ends up in Latin America with minimal traceability.

Global Impact: Risks for International Law and Security

The shadow evacuation of capital from authoritarian and semi-authoritarian states in Eurasia creates a new layer of global financial instability. These processes affect not only the economies of individual states but also the core mechanisms of international law, security, and regulation.

1. Threat to international AML standards

The systemic use of capital-flight schemes undermines the global logic of anti-money laundering frameworks.

First, stable infrastructures of structured laundering are emerging, operating through banks in the UAE, Armenia, Kazakhstan, Georgia, Serbia, Panama, and Hong Kong.

Second, regulators increasingly face situations where the true origin of transactions is invisible, and chains of legal entities combined with stablecoin routes make it extremely difficult to apply FATF standards.

Consequences include:

- reduced FIU capacity to identify shadow flows;
- overload of international monitoring systems (Egmont Group Exchange);

- deteriorating trust in financial reporting from jurisdictions acting as proxy hubs;
- creation of new AML loopholes that bypass KYC and compliance controls.

2. Declining effectiveness of sanctions regimes

Sanctions-evasion routes are turning into a stable infrastructure — a form of “grey globalization.”

A new paradigm is emerging in which:

- third countries (UAE, Turkey, Kazakhstan, Armenia, Georgia, Serbia, Malaysia) become de facto intermediaries for companies and individuals from sanctioned jurisdictions;
- stablecoin mixing, OTC desks and fintech platforms enable large-scale transfers outside EU/US monitoring;
- multi-layered corporate structures hide the connection between businesses and sanctioned states.

As a result, sanctions policies lose their sharpness, because the achievability of sanctions objectives declines under systemic evasion.

3. Pressure on Interpol institutions

Capital evacuation is increasingly accompanied by politically motivated criminal cases, leading to:

- a surge in requests for international pursuit (Diffusions, Blue Notices);
- attempts to use financial crime allegations as a pretext for asset seizure;
- justification of freezes by referencing “international wanted status,” even when notices are withdrawn or deemed political.

Thus, Interpol:

- becomes overloaded with economic cases outside its mandate;
- faces growing attempts at abuse by authoritarian structures;
- is forced to tighten scrutiny of political motivation.

This erodes trust in international criminal cooperation mechanisms.

4. Increase in Corporate Prosecutions

States in the region are using criminal law as an instrument of corporate pressure in the struggle for resources, especially in the raw-materials sector, IT, fintech, logistics, and real estate.

Mechanisms:

- initiation of criminal cases based on artificial predicates (“fraud,” “tax evasion,” “money laundering”);

- asset freezes used as leverage to force the sale of shares or repatriation of capital;
- cross-border risk propagation through FIU requests to the EU, UK, UAE, and Switzerland;
- pressure on foreign holding structures to force the return of assets to the home country.

The rise of corporate prosecutions leads to systemic degradation of the business environment:

- company owners accelerate capital evacuation;
- international banks reject clients from the region;
- investment activity declines;
- legal unpredictability increases.

Forecast 2025–2027

Over the next two years, cross-border capital migration from Eurasian states will evolve under conditions of intensified international oversight, expanding sanctions regimes, and a technological reshaping of global financial flows. ARGA Observatory identifies five key trends that will shape the new architecture of the shadow global economy.

1. Tightening of Controls in the UAE and Kazakhstan

The UAE and Kazakhstan—still the largest hubs for capital migration—will face pressure from the EU, USA, and FATF. “Blacklists of intermediaries” are expected to appear: registries of banks, brokers, logistics companies, and fintech platforms servicing re-export schemes and capital-flight patterns.

This will cause partial structural cleanup of the market, but simultaneously increase the demand for underground services and push flows into less regulated zones.

2. Regulation of Cryptocurrency OTC Platforms

Crypto OTC markets in Dubai, Hong Kong, Yerevan, and Tbilisi will become targets of stricter supervision, including integration into the FATF Travel Rule, mandatory identification of large transactions, and USDT-flow monitoring.

This will reshape the architecture of crypto-flight: large operations will move to offshore mixing services and private pool groups, while legal platforms will require more robust KYC.

3. Growing Role of Southeast Asia

Singapore, Malaysia, Labuan, and Hong Kong will strengthen their positions as magnet-centers for capital from China and Russia.

Expected developments include:

- expansion of holding structures and corporate SPVs;
- growth of crypto brokers working with Asian and Eurasian clients;
- increased reliance on Southeast Asia as a key hub for “origin repackaging” of assets.

This will raise the global risk of opaque deals.

4. Intensification of Corporate Wars in Eurasia

Competition for assets will intensify in Russia, Kazakhstan, Azerbaijan, Uzbekistan, Belarus, and Tajikistan.

Consequences include:

- an increase in Interpol abuse;
- more politically motivated economic cases;
- growth of cross-border FIU requests;
- freeze practices originating in the CIS spreading into banking systems in the EU/UK/UAE/CH, creating “freeze cascades” and heightening the financial vulnerability of entrepreneurs.

5. Emergence of a Global Map of “Grey Jurisdictions”

The EU and US will begin forming unified registries of grey jurisdictions—countries systematically involved in sanctions evasion or the servicing of shadow capital flows.

Likely candidates include: the UAE, Kazakhstan, Georgia, Armenia, Serbia, Malaysia, Panama, and certain regions of China.

These registries will form the basis for new sanctions packages, enhanced due diligence, and the closure of international corridors used for capital flight.

Recommendations of ARGA Observatory

For international institutions

- Create a global map of illicit financial flows that integrates data on Interpol-relevant transactions, cryptocurrency routes, offshore structures, and shadow logistics chains. Such a map should become an early-warning instrument and an analytical standard for regulators.
- Integrate monitoring of digital assets into international financial-security mechanisms: automated oversight of OTC platforms, analysis of major USDT/USDC networks, identification of high-risk crypto-intermediaries.
- Expand independent risk-monitoring mechanisms, including supranational observatory centers not tied to the interests of individual states, to prevent politicization of data and ensure objective analysis.

For EU and US regulators

- Strengthen oversight of third-country intermediaries—UAE, Turkey, Kazakhstan, Armenia, Serbia, Malaysia, Hong Kong—by implementing targeted monitoring systems, assessing sanctions-risk exposure, and introducing a high-risk intermediary status.
- Establish a global registry of cryptocurrency brokers and OTC operators with mandatory identification of jurisdiction, beneficial owners, transaction volumes, and infrastructure risk. The registry should function at the EU–US–FATF level.
- Expand due diligence requirements for export supply chains, especially in electronics, semiconductors, aviation, industrial equipment, and AI. Introduce separate oversight rules for companies operating through the South Caucasus, Central Asia, and the Middle East.

For academic and analytical centers

- Develop databases of intermediary jurisdictions through which grey financial flows pass. This will enable more accurate mapping of re-export routes, crypto-transit chains, and corporate structures.
- Study the digitalization of grey finance, including the role of fintech platforms, P2P services, digital wallets, DeFi mechanisms, and crypto-brokers in cross-border capital migration.
- Advance transdisciplinary approaches that combine political science, criminology, international law, economic geography, digital analytics, and sanctionology. Only a holistic analytical framework can capture the hidden mechanisms of transnational capital movement.

Conclusion

The shadow economy of capital evacuation from authoritarian and semi-authoritarian states of Eurasia has ceased to be a side effect of political turbulence and has instead become a stable structural element of the global financial system. It constitutes a parallel architecture of asset movement in which corporate groups, diasporas, security elites, digital intermediaries, and legal operators interact through a network of quasi-offshores, fintech channels, cryptocurrency pools, and logistical routes.

This system follows its own developmental logic: it is adaptive, distributed, scalable, and tightly connected to the foreign-policy strategies of the region's governments. It affects not only the trajectory of individual businesses but also global markets, the stability of national currencies, the reliability of banking systems, and the international mechanisms for monitoring financial flows.

As traditional offshore jurisdictions tighten their rules, new anonymity zones are emerging—from Dubai to the Balkans, from the South Caucasus to Southeast Asia—creating a multi-layered infrastructure for cross-border capital flight.

This infrastructure undermines:

- the effectiveness of sanctions regimes,
- international AML/CTF standards,

- trust in the financial system,
- principles of fair competition,
- the stability of global regulatory frameworks.

The ARGA Observatory report provides a systematic foundation for understanding this evolving reality: it maps routes, mechanisms, actors, and risks, producing an analytical chart of the new shadow financial geography.

For regulators, international institutions, researchers, and financial organizations, this analysis serves as an essential platform for building transparency tools, preventing abuses, and strengthening transnational financial security.

The new architecture of global finance requires not isolated measures but a coordinated international approach grounded in data, interdisciplinary research, and independent monitoring. In this context, ARGA Observatory is building one of the first specialized analytical frameworks for studying the phenomenon of shadow capital migration in Eurasia and its global implications.

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