



Conference of the States Parties to the United Nations Convention against Corruption

Distr.: General
20 March 2009

Original: English

Open-ended Intergovernmental Working Group on Asset Recovery

Vienna, 14 and 15 May 2009

Asset recovery on the road to Doha: activities under the Stolen Asset Recovery initiative

Background paper prepared by the Secretariat

I. Introduction

1. The StAR initiative was launched jointly by the World Bank Group (WBG) and the United Nations Office of Drugs and Crime (UNODC) in September 2007. The goal of the StAR initiative is to encourage and facilitate systematic and timely return of assets that are proceeds of corruption and to improve global performance in return of stolen assets, ultimately leading to a situation where there are no safe havens for the proceeds of corruption. Using the United Nations Convention against Corruption as its legal framework, StAR considers that requested and requesting countries share common goals and responsibilities and holds that international collaboration and collective action are essential to facilitating asset recovery and discouraging asset theft. The StAR initiative is focusing on three core components: lowering the barriers to asset recovery (e.g., global knowledge-sharing and advocacy); building national capacity for asset recovery; and providing preparatory assistance in the recovery of assets (aimed at collecting and sharing information to encourage the progress of a country's specific asset recovery efforts). The StAR initiative is the effort of the two organizations to make a substantial contribution to the implementation of the provisions of the United Nations Convention against Corruption on asset recovery. As such it complements other efforts undertaken by governments and international organizations or bodies such as the Group of Eight, the Commonwealth, the Asian Development Bank, the OECD and the Council of the European Union. Up-to-date information on the StAR initiative can be found on www.worldbank.org/star.

2. UNODC and the World Bank created an efficient and transparent institutional environment for the StAR initiative based on a formal partnership agreement. A secretariat comprising two UNODC and three World Bank staff coordinates the work of specialists drawn from the World Bank and UNODC. The work of the



secretariat is overseen by a management committee made up of the Heads of the offices or departments who undertake StAR work. The StAR initiative is financed by voluntary contributions from Canada, France, Germany, Luxemburg, Norway, Sweden, Switzerland, the United Kingdom and the United States.

3. The United Nations Convention against Corruption, being the first comprehensive global legal instrument on asset recovery, is the framework for the StAR initiative. As of 3 March 2009, the Convention had a total of 140 signatories and 132 parties. The Conference of the States Parties to the United Nations Convention against Corruption, at its first session, held in Jordan from 10 to 14 December 2006, decided to make asset recovery a priority in its work. It established the Open-ended Intergovernmental Working Group on Asset Recovery and gave it a comprehensive and ambitious mandate: to assist the Conference in developing cumulative knowledge; encourage cooperation among relevant existing bilateral and multilateral initiatives; facilitate the exchange of information among States by identifying and disseminating good practices; help build confidence and encourage cooperation between requesting and requested States; facilitate the exchange of ideas among States on the expeditious return of assets; and assist the Conference in identifying the capacity-building needs, including long-term needs, of States parties in the prevention and detection of the transfer of proceeds of corruption and income or benefits derived from such proceeds and in asset recovery. The working group held its first meeting in Vienna on 27 and 28 August 2007 and made a number of recommendations (CAC/COSP/2008/4). At its second session, held in Indonesia from 28 January to 1 February 2008, the Conference of the States Parties, in its resolution 2/3, decided that the Working Group should continue its work with a view to identifying ways and means of translating those recommendations into concrete action (CAC/COSP/2008/15).

4. The Working Group on Asset Recovery at its second intersessional meeting in Vienna on 25 and 26 September 2008 gave high priority to the availability, creation and management of knowledge. It welcomed the progress made on an envisaged comprehensive knowledge management centre and recommended that such a tool should contain not only legislation but also analytical work on asset recovery. It further reconfirmed the recommendation to develop practical tools for asset recovery, in particular a practical step-by-step guide, an expanded version of the UNODC Mutual Legal Assistance Request Writer Tool and models or best practices guides where feasible. It highlighted the importance of the work on the establishment of a network of contact points for asset recovery, stressed the high demand for technical assistance and gave high priority to training and capacity-building.

5. The Working Group called for the systematic follow-up of the implementation of these recommendations at the third session of the Conference of the States Parties, to be held in Doha, Qatar, on 9-13 November 2009. It requested the Secretariat to report on the activities of the StAR initiative and to provide information on existing formal and informal networks for international cooperation. This background paper has been prepared to assist the group on its way towards the third session of the Conference of the States Parties.

II. Developing cumulative knowledge

6. Development of cumulative knowledge on asset recovery has been a priority of the Conference of the States Parties since its first session in 2006. The Conference highlighted repeatedly that asset recovery represented a relatively new area of international cooperation and therefore streamlined efforts were needed towards gathering information on its legal and procedural aspects. The StAR initiative uses a three-fold approach to the development of cumulative knowledge: (1) It is creating IT-based tools for the collection and dissemination of knowledge on the implementation of chapter V of the Convention and related legislation, jurisprudence and analysis; (2) it is developing practical tools and practitioners' good practices guides; and (3) it is conducting focused policy studies on innovative aspects of asset recovery. The first of these actions is in line with and complements the overall work carried out by UNODC for the development of the comprehensive self-assessment checklist, the creation of the legal library and the establishment of the comprehensive knowledge management consortium.

1. Comprehensive Self-assessment Checklist, Legal Library (including Asset Recovery) and Knowledge Consortium

7. The working group in its second meeting gave high priority to the availability, creation and management of knowledge on asset recovery. It welcomed the progress made by the Secretariat on the envisaged comprehensive legal library and recommended that such a tool should contain not only legislation but also analytical work. The Working Group called upon States parties to regularly provide information such as legislation and analytical documents for the establishment and maintenance of the library (CAC/COSP/WG.2/2008/3 para. 39).

8. At its first session, held in Jordan in December 2006, the Conference decided that a self-assessment checklist be used as a tool to facilitate the provision of information on the implementation of the Convention by States parties and signatories. At its second session, the Conference requested UNODC to explore the option of modifying the existing checklist as to create a comprehensive information-gathering tool. In the comprehensive software, the provisions of the Convention will be surveyed in order to elicit, in an incremental manner, the broadest possible information. For example, after the question whether a country had adopted measures necessary to comply with the provision under review, it will be asked to cite, quote and attach such measures and assess their effectiveness by providing concrete examples of application or case law. The approach and content was reviewed during three expert workshops (Vancouver, March 2007 and March 2008, Vienna, February 2009). A consultation process is currently under way, with the package being tested by a number of countries around the world. The software application will be launched at the third session of the Conference of the States Parties.

9. The Library of Laws and Jurisprudence Relevant to the United Nations Convention against Corruption will build on existing collections of legislation and on the information elicited through the self-assessment checklist. A starting point for countries drafting new laws is often the assessment of laws in jurisdictions with similar legal traditions. With this in mind, the International Association of Anti-Corruption Authorities (IAACA), in partnership with the Boston-based Northeastern

University and with support from UNODC, initiated a collection of national laws and regulations related to corruption offences. This initial collection became the basis for a more systematic programme of creation of an electronic library with expanded scope in order to collect and systematize legal knowledge related to the substantive requirements of the Convention. The Legal Library will collect all reasonably available existing national legislation, regulations, administrative practices and cases related to the provisions of the Convention. An integral part of this collection will be material relevant to asset recovery. The objective of the Legal Library is not only to gather national legislation, but also to demonstrate how it relates to the provisions of the Convention, including those related to asset recovery. The Library is being developed in such a way that would permit it to be fully compatible with the self-assessment checklist. This compatibility will enable more widespread use of material and more efficient and expeditious updating. Search engines and cross-references within the platform will enable the users to navigate the Library and access legislation on asset recovery irrespective of the section of the Library where it is stored, thus furnishing a practical and user-friendly way of seeing how each country implemented the respective provisions and what work still lies ahead.

10. UNODC is in the process of establishing a Knowledge Management Consortium which is envisaged as an electronic platform of anti-corruption and asset recovery knowledge generated by reputable regional or international institutions (reports, studies, policy papers, assessments, compilations of good practices, manuals, handbooks, directories of focal points and other tools for practitioners). A non-exclusive catalogue of institutions active in the area include the International Association of Anti-Corruption Authorities (IAACA), the United Nations Development Programme (UNDP), the United Nations Interregional Crime Research Institute (UNICRI), the World Bank, the Asian Development Bank, the Organization for Economic Cooperation and Development, the Basel Institute of Governance, the U4 Anti-Corruption Resource Centre and the United Nations Office on Drugs and Crime (UNODC). All these entities maintain their own websites and carry out activities which contribute, from different angles and with different methodologies, to the advancement of work on anti-corruption and asset recovery. While the generation of knowledge on asset recovery remains an undertaking that such institutions may wish to carry out individually, the Knowledge Management Consortium aims at creating a single site where such knowledge can be accessed. The Legal Library will be part of the material accessible through the Knowledge Management Consortium, as well as the Asset Recovery Focal Points Database (cf. below No. 24), a directory of central authorities under article 46 para. 13 and of anti-corruption bodies under article 6 of the Convention, as well as practitioners' tools and ad hoc policy studies (cf. below Nos. 11-22). The establishment of the Knowledge Management Consortium will be made possible thanks to an offer received from Microsoft to provide the necessary technology at no cost.

2. Practical Tools and Practitioners' Guides

11. The Working Group reconfirmed the recommendation to develop practical tools for asset recovery, in particular a practical step-by-step manual. Such a manual should be tailored to the needs of practitioners in asset recovery cases as well as to capacity-building. The Working Group further stressed the importance of modern information technology and gave priority to exploring the expansion of the Mutual

Legal Assistance Request Writer Tool and the further development of similar products (CAC/COSP/WG.2/3 paras. 40-41).

12. The StAR initiative is developing the Asset Recovery Handbook, which aims to help practitioners with the strategic, organizational, investigative, and legal challenges of international asset recovery by consolidating information dispersed across many fields into a single framework. It will highlight good practices in core areas, such as investigative techniques, tracing flows, initiating judicial proceedings, and obtaining international legal assistance/cooperation. To this end, the Handbook will describe the most common organizational, investigative and legal techniques used at each stage of the asset recovery process, including an overview of the strategic and tactical choices that practitioners could make to adapt their activities to the specificities of the case. The Handbook will further identify the most common challenges that countries are likely to encounter, such as difficulties linked to financial investigations, burden of proof, the coordination of the different actors and agencies involved in the process and mutual legal assistance, and highlight the factors that influence the outcome of stolen asset recovery procedures and specifically of mutual legal assistance requests. The Handbook will finally provide practitioners with possible solutions to asset recovery, assisting them in presenting roadmaps, strategies, and tactics to their national authorities as well as estimating the organizational, human and financial resources they will need. The Handbook will be drafted by a core team of experts and the draft will be tested with practitioners from a broad range of countries. A preliminary document on selected topics will be ready for presentation at the third session of the Conference of the States Parties. The Handbook will be finalized in 2010 and regularly updated every 18 months by the core team, in consultation with stakeholders.

13. The StAR initiative is currently looking into the technological and substantive requirements of expanding and updating UNODC's Mutual Legal Assistance Request Writer Tool. The objective is a computerized, user-friendly tool for the preparation, transmission and receipt of asset recovery requests. It will be available free of charge for practitioners. An expert group will be convened to exchange expertise and provide guidance on the content and structure of the tool, the steps of the asset recovery process that need to be reflected in the software, and to assess the adjustments, modifications and variations that need to be made to the existing MLA Request Writer Tool with a view to delivering a product which will be tailor-made to the specificities of the asset recovery process. A draft format will be launched at the third session of the Conference of the States Parties; the final product is planned to be finalized by mid 2010.

14. The publication "Stolen Asset Recovery: A Good Practices Guide for Non-Conviction Based Asset Forfeiture", to be published in spring 2009, is designed as a practical tool for use by jurisdictions contemplating non-conviction based (NCB) asset forfeiture legislation, as encouraged by article 54 I c) of UNCAC. It is the first-of-its-kind in the area of NCB asset forfeiture and the first knowledge publication under the Stolen Asset Recovery initiative. The Guide identifies the key concepts – legal, operational and practical – that an NCB asset forfeiture system should encompass to be effective in obtaining NCB asset forfeiture which is often necessary to recovering stolen assets. The Guide's CD-ROM Appendix is a compilation of key documents that provide practical support for development and implementation of an NCB asset forfeiture programme and cases. The Guide is the

product of a collaborative effort of a team of expert practitioners, including magistrates, prosecutors and lawyers. The practitioners were representatives of various forfeiture systems and all phases of forfeiture. The group included investigating magistrates, prosecutors, law enforcement officers and asset managers. Civil and common law systems were equally represented. Practitioners from developed and developing countries contributed their legal and practical experiences. The Guide's 36 Key Concepts represent the agreed upon recommendations of these practitioners. The Guide is being published as text with CD-ROM, e-book, and USB stick. Its dissemination will be supported by the delivery of targeted training (cf. below No. 39).

15. An Asset and Income Declarations Guide is being developed in an effort to broaden the approach to asset recovery and to link it closely to governance and anti-corruption strategies. Examples from a number of developed and developing countries will be examined through case study analyses which address dimensions such as the structure and management of the asset and income disclosure systems, the quality of the technical solutions, the alignment of policies and technical solutions with resources and capacity availability, in particular in developing countries, the evaluation of selected disclosure reports reviewing systems and a general prioritization of measures in low income and low capacity countries. The study will draw on an evaluation of selected income and asset declaration systems in a range of countries and on lessons learned from World Bank and UNODC work. The Guide will be presented at the third session of the Conference of the States Parties in November 2009; the annotated case studies would be published as a second volume in 2010. Possible follow-up activities include the development of curricula for training courses and the establishment of a network of practitioners.

3. Policy studies

16. While existing policy analysis and information on the implementation of Chapter V of UNCAC, case studies and best practices will be made available through the Knowledge Consortium, there are still knowledge gaps on some highly relevant fields of asset recovery. The StAR initiative is conducting policy studies on selected topics to asset recovery to enrich the knowledge base for asset recovery policies.

17. StAR is conducting a study on the identification of Politically Exposed Persons (PEPs), i.e. individuals who are or have been entrusted with prominent public functions, such as Heads of State or of government, senior government, judicial or military officials, senior executives of State owned corporations or important political party officials. The study will address the obligations of UNCAC States Parties, especially under article 52 of the Convention, the current definitions of PEPs and the possibility of a consistent worldwide common concept, the criteria for ascertaining whether a financial institution is addressing PEPs issues in a satisfactory manner, the types of due diligence and policies financial institutions should have in place for identifying and doing business with PEPs, the due diligence issues related to legal entities controlled by PEPs and the interaction with Financial Intelligence Units, law enforcement agencies, and anti-corruption units.

18. A further study will address the misuse of corporate vehicles such as limited companies, trusts or foundations for money-laundering purposes. Typically these vehicles are established under the laws of foreign jurisdictions making it difficult to

ascertain their beneficial owner. These corporate vehicles can be misused to provide anonymity and frustrate law enforcement efforts. Building on existing work in the area, the study will provide a systematic, evidence-based survey of the mechanisms that allow the corporate vehicles to be misused for illicit purposes. It will further include a practical, applied guide on how authorities can improve access to information on beneficial ownership of foreign corporate vehicles.

19. The role of civil society organizations (CSOs) is being addressed in a further policy study. The study is based on a dialogue held with CSOs at the Thirteenth Annual International Anti Corruption Conference in October 2008 in Athens, Greece and on additional outreach to further organizations. It describes the evolving role of CSOs in fields relevant for asset recovery, such as advocating policy reform for an improved environment for asset recovery and for increased transparency in financial centres, raising awareness on grand corruption and asset theft, prompting governments to commence asset recovery proceedings and helping to build technical capacity.

20. The barriers to asset recovery in requested States, in particular in financial centres, will be the topic of a separate policy study. It will provide analytical work aimed at informing the design and implementation of policies and action plans for lowering the barriers to asset recovery in financial centres and assisting practitioners in requesting jurisdictions to better understand the challenges of practitioners in requested jurisdictions. Further to a desk review of cases of selected financial centres, a practitioners workshop will be a key component to identifying the operational and practical barriers faced. A preliminary study will be presented at the third session of the Conference of the States Parties; the final product will be available by June 2010.

21. A study on the global architecture supporting asset recovery will address the institutions ready to support, facilitate and promote international collaboration for asset recovery. Many of these consider asset recovery to be part of a broader institutional mandate, and focus on one particular dimension, such as UNODC, OECD, the Financial Action Task Force and related regional bodies, INTERPOL, the Camden Asset Recovery Interagency Network, the Egmont Group, the International Association of Anti-Corruption Authorities, the Wolfsberg Group, a number of development agencies, and specialist organizations such as the International Centre for Asset Recovery. The study seeks to inform political debate by mapping the architecture for asset recovery, identifying its strengths and weaknesses, propose adjustments and innovations. In cooperation with an expert group, the study is expected to be finalized before the third session of the Conference of the States Parties.

22. A policy study to help countries with management of returned assets will provide analytical elements to inform decisions by policymakers about available options and best-fit models that can be used for that purpose. The study will review all phases of the public financial management process, from governance arrangements to auditing mechanisms, and identify the available options that policymakers can select and use. The note will further provide policymakers with an account of the advantages and disadvantages in using each alternative. The document, which will draw on case studies and will be developed in consultation with expert practitioners, is expected to be finalized before the third session of the Conference of the States Parties.

III. Enhancing Confidence and Trust through Formal and Informal Networks

1. Networks for asset recovery and asset forfeiture

23. An important factor for the improvement of international asset recovery is the strengthening of confidence and trust between requesting and requested States. The Working Group in its second intersessional meeting highlighted the importance of the work on the establishment of a network of contact points for asset recovery. While the Conference and its Working Group were seen as serving as a platform for the exchange of knowledge and experience, a network of focal points could provide further opportunities for dialogue, which were deemed essential. Such a network would thus contribute to creating confidence and trust among requesting and requested States, which were necessary prerequisites for successful cooperation. The Working Group highlighted that the full cooperation of States and international organizations was essential for the establishment and maintenance of such a network. The Working Group recommended exploring the feasibility of adopting a help desk approach. Help desks for asset recovery could give advice at the initial stages of a case in an informal manner and refer requesters to counterparts who would be able to provide further assistance (CAC/COSP/WG.2/2008/3 para. 42 and 43). These recommendations have been addressed by the establishment of an Asset Recovery Focal Point Database and support for the establishment of regional, CARIN-style networks.

24. The Asset Recovery Focal Point Database, established by StAR in partnership with INTERPOL, was launched on 19 January 2009. It is a 24-hour, seven-day StAR Focal Point Contact List of officials in countries who can respond to emergency requests for assistance, such as when they suspect that a corrupt official has transferred funds to a particular jurisdiction, and where the failure to act immediately may lead law enforcement to lose the trail. This database will allow the international law enforcement community to better coordinate their efforts in investigating and prosecuting individuals involved in the theft of public funds. The database includes currently data on more than 70 countries, including contact details for initial enquiries, key offices involved in foreign stolen asset recovery, different types of requests required to initiate assistance, types of assistance available, evidence needed to open criminal investigations or initiate civil action regarding stolen or embezzled assets, and information on whether countries have the authority to enforce foreign forfeiture judgments. National INTERPOL Central Bureaux (NCBs) are encouraged to regularly monitor and update their country's information or to include their countries in this initiative if not yet done so.

25. Further, the creation of regional networks modelled after the Camden Asset Recovery Inter-Agency Network (CARIN) is supported. CARIN is an informal network of judicial and law enforcement expert practitioners for criminal asset tracing, freezing, seizure and confiscation established in 2004 and currently counting 45 members, including 39 countries, states and jurisdictions and six international organizations. UNODC is currently working towards the creation of a Southern African network comprising prosecutors, police officers and analysts dedicated to working on asset forfeiture. The network will operate through an annual conference, a small steering group supported by a small secretariat and some form of Internet facility accessible by the members. The Southern African network

will be supported by CARIN and the National Prosecuting Agency of South Africa (NPA), which is a member of CARIN with observer status. Nine countries have indicated their readiness to participate in the network (Tanzania, Botswana, Mauritius, Swaziland, Zambia, Namibia, Zimbabwe, Lesotho, and South Africa); it is expected that it will ultimately include all member States of the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG) and might even go beyond these. An initial Conference will be held on 23 and 24 March 2009 in Pretoria to endorse the proposed network and to agree on next steps to make the network fully operational. Also in Latin America, a number of countries indicated their interest in establishing a CARIN-style network for asset recovery. An initial Conference will be held in June 2009 in Buenos Aires, Argentina, to establish the network, share best practices and lessons learned, new initiatives and developments on asset recovery and possibilities to lower barriers to asset recovery in the region.

2. Information on further formal and informal networks for international cooperation, to which StAR-supported networks are complementary

26. Practitioners networks for asset recovery are powerful tools for the creation of confidence and trust between requesting and requested countries. The asset recovery and forfeiture networks mentioned above are designed to be complementary to existing formal and informal networks of practitioners for related issues of international cooperation in criminal matters such as mutual legal assistance and judicial cooperation. Although not specific networks on asset recovery, these networks can be useful in a number of situations of complex asset recovery cases.

27. A number of networks for judicial cooperation exist at the regional level, such as the Commonwealth Network of Contact Persons, the European Judicial Network, the Hemispheric Information Exchange Network for Mutual Assistance in Criminal Matters and Extradition of the Organization of American States (OAS) and the Ibero-American Legal Assistance Network of judicial authorities of Spanish- and Portuguese-speaking countries. Their objective is to improve judicial cooperation by enabling direct personal contact and the sharing of information relevant to practitioners and by facilitating speedy informal problem-solving.

28. UNODC has established a Directory of Central Authorities under the United Nations Convention against Transnational Organized Crime and the three Protocols thereto, pursuant to decision 3/2 of the Conference of the Parties to the Convention against Transnational Organized Crime and building on the Directory of Competent National Authorities under the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988. The Directory contains full contact details for the designated authorities, office hours, time zones, languages, the information or documents required for requests to be executed, the formats and channels accepted, whether or not requests may be made through the International Criminal Police Organization (INTERPOL), specific procedures in urgent cases and a "comments" field. Access to the expanded Directory is currently limited to the designated authorities themselves. In its decision 3/2, the Conference of the Parties requested the Secretariat to consider the practicability of consolidating the online Directory with existing or future directories under other international instruments, such as the United Nations Convention against Corruption.

29. Also under the United Nations Convention against Transnational Organized Crime, five regional workshops on strengthening international legal cooperation

were held from September 2007 to June 2008 for central and competent authorities, liaison magistrates, judges, prosecutors and practitioners responsible for handling extradition and mutual legal assistance in Bogotá, Kuala Lumpur, Cairo, Vienna and Dakar. Further workshops are planned for South-Eastern Europe and for the Caribbean region.

30. In its resolution 4/2, the Conference of the Parties to the UNTOC encouraged central authorities to make full use of existing regional networks and requested the Secretariat to provide its support to strengthening networking among authorities at the interregional level and to explore ways to facilitate communication and problem-solving among such authorities by considering the establishment of a discussion forum on a secure network and by ensuring the greatest possible participation by experts and practitioners in the relevant fields. The Conference further requested the United Nations Office on Drugs and Crime, in its activities in support of international cooperation in extradition, mutual legal assistance and cooperation for the purposes of confiscation under various United Nations instruments, in particular the United Nations Convention against Corruption, to take into account work carried out in other forums in order to avoid duplication of work, giving due regard to the specificity of each instrument.

31. Further existing networks which can be relevant for international asset recovery include the Asset Recovery Offices in the European Union, established pursuant to decision 2007/845/JHA of 6 December 2007 (with a deadline for implementation of December 2008), which are designed to complement the CARIN network; the Egmont Group, currently comprising 107 Financial Intelligence Units worldwide; the International Association of Anti-Corruption Authorities (IAACA); and the 28 States members of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific, which have been engaged since 2005 in strengthening their frameworks for mutual legal assistance, extradition and asset recovery.

32. For the strengthening of informal networks, StAR has hosted and facilitated regional practitioners' workshops in East Asia, Southern Africa and Eastern Africa (cf. below No. 36). These workshops have combined capacity-building in essential skills to facilitate requests for the return of stolen assets with the opportunity for practitioners to get to know and begin to build trust with both their colleagues from the region and also the opportunity to meet and discuss operational issues with experts from financial centres.

33. The Working Group further encouraged the establishment of a partnership with private sector entities in order to assist them in complying with their obligations under the Convention, facilitate mutual understanding and build confidence (CAC/COSP/WG.2/2008/3 para. 45). UNODC is maintaining cooperation with the United Nations Global Compact (UNGC) on the implementation of the 10th Principle (Anti-Corruption). The third meeting of the Working Group on the implementation of the 10th Principle brought the corporate community closer to and facilitated a better understanding of the Corruption Convention. The meeting called for the establishment of a number of task forces responsible for the implementation of the private sector's commitment to fighting corruption, including on 10th Principle reporting of companies' anticorruption efforts in non-financial and/or sustainability reporting and the effective implementation of the 10th principle between Headquarters subsidiaries, suppliers, and subcontractors of multinational

corporations. Such task forces are expected to present the outcome of their work to the Conference of the States Parties at its third session.

IV. Technical Assistance

34. The Working Group stressed the high demand for technical assistance for the implementation of Chapter V of the Convention, especially for legal advisory services, highlighting the importance of tailor-made approaches (CAC/COSP/WG.2/2008/3 para. 47).

35. StAR provides technical assistance in preparatory stages of asset recovery proceedings. The goal is to help countries collect and analyse information that will facilitate progress in asset recovery efforts and inform national authorities' decision-making. This entails country dialogue and technical assistance, such as the sponsoring of meetings and workshops which bring together the parties involved at a national, regional, and international level as necessary; advisory services to support the preparation of analytical reports, legal research, assistance with audits and financial analysis; or advisory services to support the preparation and analysis of mutual legal assistance requests. As of March 2009, StAR had received formal requests for assistance from eleven countries and was in discussions with more. The nature of StAR engagement varies: in some cases assistance has been geared to policy dialogue and facilitation of contacts between national authorities and financial centres, in others the StAR assistance has focused on capacity-building activities while in others StAR has provided advisory services to support asset recovery cases. Although asset recovery is a lengthy process, there have already been results in StAR's first year, including the establishment of national asset recovery teams and collaboration between national authorities and the financial centres to which the assets were traced.

36. The Working Group further gave high priority to training and capacity-building and encouraged the exploration of innovative tools (CAC/COSP/WG.2/2008/3 para. 49). StAR has financed or co-financed a number of training courses in Africa, South Asia and East Asia experimenting with different course designs, lengths and staffing. During its first year, over 120 participants from 13 different countries have participated in the introductory workshops and 110 participants from 9 different countries have participated in the advanced courses. Lessons learned included that there is an acute shortage of technical skills in some jurisdictions, that regional training activities have proved successful in developing informal networks of cooperation but are costly and less successful in transferring the skills needed for practitioners to work within their national jurisdiction, and that the selection of participants involved in the operational aspects of asset recovery is critical.

37. Skill development has to be addressed at two levels. The first is for policymakers and legislators who need information on how to effectively domesticate legislation and policy so that it meets the requirements of Chapter V of the UNCAC. Second, practitioners in prosecutors offices, anti-corruption agencies, investigative bodies, and where relevant Financial Intelligence Units need to understand how they can better carry out their responsibilities. Building on this experience, two types of activities will be provided during the period to the end of

December of 2010: short workshops to provide an overview of asset recovery issues and what StAR can do to help countries, and intensive technical training courses to develop capacity to identify, trace, freeze, and confiscate assets. Both types of training activity can be delivered to a single country or a group of countries at a regional event.

38. UNODC, in cooperation with INTERPOL, is establishing the International Anti-Corruption Academy (IACA). Asset recovery will prominently feature in the curricula of this institution, and asset recovery training under the StAR initiative will be coordinated with the training courses in IACA. The Academy will be established as the world's first educational institution dedicated to fighting corruption within the framework of the Corruption Convention. Hosted by the Austrian Government in Laxenburg at the outskirts of Vienna, the goal of the International Anti-Corruption Academy (IACA) is to become an institution of higher learning which will disseminate specialized anti-corruption knowledge around the world. IACA will be open to people who play a key role in preventing and fighting corruption in their countries, i.e. law enforcement officers, judicial, governmental and private sector personnel and representatives of non-governmental and international organizations. It is foreseen that the Academy will open its doors in the fourth quarter of 2009.

39. The dissemination of the NCB forfeiture best practices guide (cf. above No. 14) will be accompanied by targeted training activities. Modules that can be adapted to each technical assistance event are under development; where StAR partner countries express a particular interest in developing NCB tools as part of their country strategy, the NCB Guide will also be used to support tailored technical assistance activities. Technical assistance has already been requested and provided, using early versions of the Guide, in Indonesia and Nigeria in 2008.

V. Issues for further consideration and action

40. The Working Group may wish to give guidance to the Secretariat on the further implementation of the recommendations made at its second meeting and on the strategic course taken to address these recommendations. It may wish to adapt and modify its recommendations and add further recommendations as it deems appropriate.

41. The working group may wish to discuss ways and means of collaboration, exchange of views and cooperation between Member States and the various initiatives to further asset recovery, including the StAR initiative. The working group may particularly wish to suggest ways of enhancing collaboration between Member States and international organizations, in particular UNODC and the World Bank, in the development of knowledge products and tools.

42. The working group may further wish to discuss ways and means to link the Asset Recovery Focal Points network and regional networks to further networks for international cooperation in criminal matters that exist or are under establishment and to link their work to further activities in support of international cooperation in criminal matters, in particular for the purposes of confiscation, under various United Nations instruments.

43. The working group may wish to provide guidance on the role of the StAR initiative in the delivery of training and capacity-building and encourage States parties to be actively involved in capacity-building activities, including through peer-to-peer capacity-building and cooperation on asset recovery.
