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*Asset Return and Development*  
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*Current state of the international debate*

*Phil Mason*  
*Senior Anti-Corruption Adviser*  
*UK Department for International Development*

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## Preamble to UNCAC

*(1<sup>st</sup> para)*

*Concerned* about the seriousness of problems and threats posed by corruption to the stability and security of societies, undermining the institutions and values of democracy, ethical values and justice **and jeopardizing sustainable development** and the rule of law,

...

*(3<sup>rd</sup> para)*

*Concerned further* about cases of corruption that involve vast quantities of assets, which may constitute a substantial proportion of the resources of States, and that threaten the political stability **and sustainable development** of those States,

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## Foreword, by Kofi Annan, UN Secretary-General

*(2<sup>nd</sup> para)*

Corruption hurts the poor disproportionately by diverting funds intended for development, undermining a Government's ability to provide basic services, feeding inequality and injustice and discouraging foreign aid and investment. Corruption is a key element in economic underperformance and a major obstacle to poverty alleviation and development.

*(3<sup>rd</sup> para)*

The adoption of UNCAC ... will reaffirm the importance of core values such as honesty, respect for the rule of law, accountability and transparency in promoting development and making the world a better place for all.

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## Foreword (cont'd)

These provisions—the first of their kind—introduce a new fundamental principle, as well as a framework for stronger cooperation between States to prevent and detect corruption and to return the proceeds. Corrupt officials will in future find fewer ways to hide their illicit gains. **This is a particularly important issue for many developing countries where corrupt high officials have plundered the national wealth and where new Governments badly need resources to reconstruct and rehabilitate their societies.**

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*(UNGA Res 67/192, Dec 2012)*

***Preventing and combating corrupt practices and the transfer of proceeds of corruption, facilitating asset recovery and returning such assets to legitimate owners, in particular to countries of origin, in accordance with the United Nations Convention against Corruption***

***(1<sup>st</sup> preambular, after welcoming adoption of UNCAC)***

*Recognizing* that fighting corruption at all levels is a priority and that corruption is a serious barrier to effective resource mobilization and allocation and **diverts resources away from activities that are vital for poverty eradication and sustainable development,**

...

*Noting* the efforts made by all States parties to the Convention in tracing, freezing and recovering their stolen assets, in particular States parties in the Middle East and North Africa, taking into consideration recent developments in those States in fighting corruption, and the efforts of and willingness expressed by the international community to assist them in the recovery of those assets **in order to preserve stability and sustainable development,**

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*(UNGA Res 67/192, Dec 2012)*

***Preventing and combating corrupt practices and the transfer of proceeds of corruption, facilitating asset recovery and returning such assets to legitimate owners, in particular to countries of origin, in accordance with the United Nations Convention against Corruption***

*Concerned* about the difficulties, particularly the practical difficulties, that both requested and requesting States face in asset recovery, **taking into account the particular importance of the recovery of stolen assets for sustainable development and stability,**

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## Commonwealth Heads of Government summit, Nigeria, Dec 2003

### **Commonwealth Heads of Government Declaration, Abuja (‘Aso Rock Declaration’)**

*“We recognise that corruption erodes economic development and corporate governance. We welcome the successful conclusion of the United Nations Convention against Corruption ... We pledge maximum co-operation and assistance amongst our governments to recover assets of illicit origin and repatriate them to their countries of origin. **This will make more resources available for development purposes.**”*

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# G8 Deauville Partnership Action Plan

## Measures Related to Technical Assistance and Capacity Building

**Strengthen frameworks to manage recovered funds:** During the post-transition period, to the extent possible, assist a requesting transition country with legislative drafting advice or other assistance in setting up locally a central fund, to receive assets confiscated at home or abroad and **to ensure transparency in their administration.**

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# Innovative solutions to asset recovery

Background paper prepared by the Secretariat

Asset Recovery Working Group paper CAC/COSP/WG.2/2007/2 (2007)

## **Introduction** (opening para)

The illicit diversion of public assets also **hampers the establishment of transparent economic management** and destroys trust in government institutions and financial systems — in both developed and developing countries. Enhancing cooperation for the return of assets helps countries not only **to recover wealth but also to develop and strengthen institutions** and build much-needed trust in order to prevent such cases in the future.

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## Report of 1<sup>st</sup> session AR WG, August 2007

“The Director of the Division for Treaty Affairs of the United Nations Office on Drugs and Crime (UNODC) noted that asset recovery was among the most rewarding and most challenging topics of anti-corruption policy. She also noted that every year immense wealth was diverted from public budgets and **that those funds could hold great potential for development in the countries of origin.**”

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