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Asset recovery

**Activities of the Open-ended Intergovernmental Working
Group on Asset Recovery and the work of the United
Nations Office on Drugs and Crime to promote asset
recovery**

Note by the Secretariat

Summary

The present note provides an overview of the activities of the Open-ended Intergovernmental Working Group on Asset Recovery, a subsidiary body of the Conference of the States Parties to the United Nations Convention against Corruption, and the work of the United Nations Office on Drugs and Crime to promote asset recovery during the period 2022–2023. It is aimed at assisting the Conference in its deliberations and in providing guidance on future work of the Working Group.

* [CAC/COSP/2023/1](#).



I. Introduction

1. In its resolution 1/4, adopted at its first session, the Conference of the States Parties to the United Nations Convention against Corruption established the Open-ended Intergovernmental Working Group on Asset Recovery to advise and assist the Conference in the implementation of its mandate on the return of proceeds of corruption.
2. In the same resolution, the Conference decided that the Working Group would, inter alia, assist the Conference in developing cumulative knowledge in the area of asset recovery, facilitate the exchange of information, good practices and ideas among States and build confidence and encourage cooperation between requesting and requested States.
3. At its second to ninth sessions, the Conference decided that the work of the Working Group should continue.
4. During 2022 and 2023, the meetings of the Working Group were organized in accordance with the guidance contained in the workplan for the subsidiary bodies of the Conference, which was approved by the Bureau of the Conference in June 2022, in order to enable consideration of the substantive items on its agenda jointly with the other subsidiary bodies. Moreover, the topics considered by the Working Group at its meetings held in 2023 under the agenda item entitled “Follow-up to the special session of the General Assembly on challenges and measures to prevent and combat corruption and strengthen international cooperation” were approved by the Bureau by means of a silence procedure on 3 April 2023.
5. The present note has been prepared with a view to informing the Conference at its tenth session about the status of the implementation of the Working Group’s mandates. It is aimed at assisting the Conference in its deliberations and in determining guidance and future activities for the Working Group.

II. Activities of the Open-ended Intergovernmental Working Group on Asset Recovery

6. Since the ninth session of the Conference, the Working Group has continued to discharge its functions as mandated by the Conference and to implement the mandates contained in the relevant resolutions adopted by the Conference.
7. To date, the Working Group has held 17 meetings. Since the ninth session of the Conference, the Working Group has held its sixteenth and seventeenth meetings, from 7 to 11 November 2022 and from 5 to 8 September 2023, respectively.
8. During those meetings, joint meetings were held with the Implementation Review Group and the open-ended intergovernmental expert meeting to enhance international cooperation under the United Nations Convention against Corruption. The joint meetings were held in line with Conference resolution 6/1, in which the secretariat was requested to structure the provisional agendas of the Working Group and the other subsidiary bodies established by the Conference in such a way as to avoid the duplication of discussions while respecting their mandates, as well as in accordance with the guidance contained in the workplan for the subsidiary bodies.
9. Information on the proceedings of the Working Group during the reporting period is contained in the reports on its meetings held in 2022 and 2023 ([CAC/COSP/WG.2/2022/4](#) and [CAC/COSP/WG.2/2023/4](#)). Information on surveys administered by the secretariat in 2022 and 2023 to assess delegations’ satisfaction with the support it provided in relation to the meetings of the subsidiary bodies of the Conference can be found in document [CAC/COSP/2023/2](#). The topics below were discussed during the Working Group meetings under the substantive agenda items.

A. Overview of progress made in the implementation of asset recovery mandates

10. During the sixteenth and seventeenth meetings of the Working Group, overviews were provided of progress made in the implementation of asset recovery mandates, including with regard to new knowledge products created by the United Nations Office on Drugs and Crime (UNODC). More details on the progress achieved are available in the relevant notes by the Secretariat ([CAC/COSP/WG.2/2022/2](#) and [CAC/COSP/WG.2/2023/2](#)).

B. Practical aspects of asset recovery, including trends, challenges and good practices

11. Since the ninth session of the Conference, UNODC has continued to prepare thematic reports on the implementation of chapter V of the Convention against Corruption, in accordance with paragraphs 35 and 44 of the terms of reference of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption. The reports contain a compilation of the most relevant information on successes, good practices, challenges and observations in the executive summaries and country review reports under the second cycle of the Mechanism. (For the latest reports relating to the implementation of chapter V of the Convention, see [CAC/COSP/IRG/2022/7](#) and [CAC/COSP/IRG/2023/9](#).) In addition, on the basis of the aforementioned executive summaries and country review reports, UNODC prepared reports on the implementation of provisions of a cross-cutting nature in chapters II and V of the Convention for the Implementation Review Group ([CAC/COSP/IRG/2022/8](#) and [CAC/COSP/IRG/2023/10](#)).

12. In view of the growing body of knowledge available on the implementation of chapter V and the provisions of a cross-cutting nature in chapters II and V of the Convention, regional supplements to those reports were submitted to the Implementation Review Group in 2023 ([CAC/COSP/IRG/2023/9/Add.1](#) and [CAC/COSP/IRG/2023/10/Add.1](#)).

13. Furthermore, under the Working Group's agenda item on practical aspects of asset recovery, including trends, challenges and good practices, during the sixteenth meeting of the Working Group, as part of the joint meetings with the open-ended intergovernmental expert meeting to enhance international cooperation under the United Nations Convention against Corruption, two panel discussions were held on the follow-up to Conference resolution 9/1, entitled "Sharm el-Sheikh declaration on strengthening international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery".

Gathering of information on international asset recovery cases, including on volumes of assets frozen, seized, confiscated and returned, and asset recovery frameworks, including relevant best practices and challenges

14. In its resolution 8/1, the Conference decided that the Working Group should continue its work by, inter alia, continuing its efforts to collect information on challenges and barriers that States parties face, as well as best practices in the recovery and return of proceeds of crime, with a view to proposing possible recommendations for full and effective implementation of chapter V of the Convention.

15. In its resolution 8/9, the Conference requested the secretariat, and invited the Stolen Asset Recovery (StAR) Initiative, subject to the availability of extrabudgetary resources, to collect information from States parties on international asset recovery cases in relation to offences established in accordance with the Convention, including on volumes of assets frozen, seized, confiscated and returned; report on the findings to the Working Group and the Conference at their next sessions, and update the Asset Recovery Watch database.

16. In its resolution 9/2, the Conference requested UNODC, in coordination with the StAR Initiative, to expand the global knowledge and data collection on asset recovery and return through gathering and sharing information on challenges and good practices, as well as on volumes of assets frozen, seized, confiscated and returned in relation to corruption offences, and the number and types of cases, as appropriate, while ensuring the protection of personal data and privacy rights, drawing upon existing efforts, within existing resources.

17. Further to resolutions 8/1, 8/9 and 9/2, from 2020 to 2022, UNODC and the StAR Initiative collected information through two questionnaires sent to States parties to the Convention on their involvement in international asset recovery efforts. In the questionnaires, authorities were asked to provide information on proceeds of foreign corruption that they had restrained or confiscated in their jurisdictions and returned to another country, as well as information on any proceeds of corruption that their respective countries had received from another country where those assets had been held. Information was also collected from countries that had facilitated the asset recovery process in other ways, for example, by initiating legal action to recover proceeds of corruption in a third country or by acting as a mediator to facilitate a return between two other States (see [CAC/COSP/WG.2/2020/4](#) and [CAC/COSP/2021/CRP.12](#)).

18. The Working Group was updated about the findings at its sixteenth meeting, in November 2022 (see [CAC/COSP/WG.2/2022/3](#)). During the meeting, a panel discussion was held to facilitate the deliberations of the Working Group on the matter (see [CAC/COSP/WG.2/2022/4](#)).

19. In April 2023, UNODC, in coordination with the StAR Initiative, sent an additional note verbale inviting States parties to provide information on their involvement in international asset returns for the period 2022–2023. On the basis of the responses received, UNODC provided an oral update to the Working Group at its seventeenth meeting. A note by the Secretariat on the matter, presenting an up-to-date overview of international recoveries and returns of proceeds of crime and insights into the current state of cross-border return practices, will be submitted to the Conference at its tenth session for its consideration ([CAC/COSP/2023/15](#)).

20. Information provided by States parties on asset recovery cases and on volumes of assets frozen, seized, confiscated and returned in relation to corruption offences in their replies to the three questionnaires distributed by notes verbales in 2020, 2022 and 2023 will be made available online in the Asset Recovery Watch database on the StAR Initiative website. The database, which will be relaunched at the tenth session of the Conference, collects information about completed and ongoing efforts to recover proceeds of corruption and presents it in a systematic and easily accessible way. The goals of the data collection include to analyse trends and measure global progress in asset recoveries under the Convention. The database will serve as a resource for asset recovery practitioners and other stakeholders seeking information on ongoing or completed asset recovery efforts under the Convention.

21. Official information on asset recovery cases provided by States parties is highly valuable for achieving a better understanding of the practice of international asset recovery. UNODC and the StAR Initiative will continue to collect information on cases of asset recovery and return on a regular basis. The comprehensiveness of the data collected and the accuracy of the resulting analysis depend on the information shared by States parties. The Conference may wish to discuss different avenues to encourage States parties to provide regular updates on the matter.

C. Thematic discussions

Good practices and challenges with respect to beneficial ownership and how it can foster and enhance the effective recovery and return of proceeds of crime, taking into consideration article 63 of the Convention

22. In its resolution 9/7, the Conference encouraged States parties, with the assistance of the secretariat, to share, on a voluntary basis, examples of good practices on promoting beneficial ownership information transparency to facilitate the recovery and return of proceeds of crime and financial disclosure requirements for public officials while avoiding the duplication of work undertaken by other international forums.¹

23. In the same resolution, the Conference called upon UNODC, in cooperation with the StAR Initiative, to make available, within existing resources, in the Tools and Resources for Anti-Corruption Knowledge (TRACK) portal, information on States parties that maintain a registry or alternate mechanism on beneficial ownership information, together with information on how to make requests for such information.

24. In response, in a note verbale circulated in May 2022, UNODC invited States parties to provide information on their legislation, policies, practices and institutions that promoted beneficial ownership information transparency, including existing registries and mechanisms for requesting such information. On the basis of the information received from States parties and additional research, the secretariat prepared a conference room paper on good practices in promoting beneficial ownership information transparency to facilitate the recovery and return of proceeds of crime (CAC/COSP/WG.2/2022/CRP.1), which supported the Working Group's thematic discussion on the matter during its sixteenth meeting. Furthermore, the responses received from 40 States parties to the note verbale were made available on the web page of the sixteenth meeting of the Working Group, and a catalogue with online links to commercial and beneficial ownership registers, competent authorities and their contact information was made available on that web page, as well as on the TRACK portal.² In addition, during the sixteenth meeting, a panel discussion was held on beneficial ownership (see [CAC/COSP/WG.2/2022/4](#)).

25. A note by the Secretariat, taking into account the thematic discussion of the Working Group and additional information received in response to a note verbale circulated in 2023, will be submitted to the Conference at its tenth session ([CAC/COSP/2023/16](#)). The note will include an analysis of the systems for beneficial ownership transparency established in 55 States parties and will be supplemented by a conference room paper containing a revised catalogue with online links to commercial and beneficial ownership registers, competent authorities and their contact information. The secretariat will also submit to the Conference at its tenth session a conference room paper analysing various beneficial ownership systems in 13 selected jurisdictions across several regions, with the aim of fostering further dialogue on pursuing stronger laws and policies to ensure beneficial ownership information transparency.

26. As part of its efforts to develop and update tools to assist asset recovery practitioners in tracing illicit funds located abroad, UNODC, through the StAR Initiative, updated and expanded country-specific beneficial ownership guides,³ which are intended for public authorities or other relevant stakeholders searching for information on legal entities created under the laws of another country. In 2023,

¹ On this matter, in paragraph 16 of the political declaration entitled "Our common commitment to effectively addressing challenges and implementing measures to prevent and combat corruption and strengthen international cooperation", adopted by the General Assembly at its special session against corruption, Member States, inter alia, committed to developing and implementing the measures necessary to collect and share such information on the beneficial ownership of companies, legal structures and other complex legal mechanisms, and to enhancing the ability of competent authorities in that regard.

² See www.unodc.org/unodc/en/corruption/WG-AssetRecovery/session16.html and https://track.unodc.org/track/en/resources-by-UNCA-C-chapter/chapter-V_asset-recovery.html.

³ Available at <https://star.worldbank.org>.

11 new beneficial ownership guides were created or updated on the basis of information supplied by national authorities, including the responses to the above-mentioned notes verbales, and other sources. Following the review and clearance of the guides by States parties' authorities, they will be made available on the StAR Initiative website.

Good practices and challenges with respect to the establishment of effective financial disclosure systems for appropriate public officials

27. In its resolution 9/7, the Conference urged States parties to effectively implement article 52, paragraph 5, of the Convention, which, inter alia, provides that States parties should consider establishing, in accordance with their domestic law, effective financial disclosure systems for appropriate public officials and should provide for appropriate sanctions for non-compliance, and that States parties should also consider taking such measures as may be necessary to permit their competent authorities to share that information with the competent authorities in other States parties when necessary to investigate, claim and recover proceeds of offences established in accordance with the Convention.⁴

28. Furthermore, in paragraph 7 of the political declaration entitled "Our common commitment to effectively addressing challenges and implementing measures to prevent and combat corruption and strengthen international cooperation", adopted by the General Assembly at its special session against corruption, Member States, inter alia, committed to strengthening their efforts to prevent, identify and manage conflicts of interest, including by assessing and mitigating corruption risks and through effective and transparent financial disclosure systems, with information disclosed by appropriate public officials made available as widely as possible, and to using innovative and digital technology with due regard for data protection and privacy rights.

29. Accordingly, in March 2023, UNODC invited States parties to provide information on good practices and challenges with respect to the establishment of effective financial disclosure systems for appropriate public officials. On the basis of information received from 41 States parties, the secretariat prepared a note on good practices and challenges with respect to the establishment of financial disclosure systems for appropriate public officials and how they can facilitate the recovery and return of proceeds of crime for consideration by the Working Group at its seventeenth meeting (CAC/COSP/WG.2/2023/3). The note provides an overview of financial disclosure systems, including information on the range of officials obliged to provide disclosures, the frequency of disclosure, mechanisms and processes used to collect and maintain disclosures, the scope of information to be disclosed and access to disclosures, the verification process, and sanctions for non-compliance. Furthermore, it summarizes the challenges and good practices, including those highlighted in connection with international cooperation. In order to further support the Working Group's deliberations on the matter, a panel discussion on the topic was held at the seventeenth meeting, and the information received from the 41 States parties has been made available on the web page for that meeting.

D. Technical assistance

30. In its resolution 6/3, the Conference urged States parties to ensure that they had adequate legal and institutional frameworks in place to prosecute corruption, to detect the illegal acquisition and transfer of assets derived from corruption, to request and provide international legal cooperation, including mutual legal assistance, to ensure that there were suitable mechanisms in place to recover through confiscation the identified

⁴ In addition, as highlighted above, in paragraph 21 of resolution 9/7, the Conference encouraged States parties, with the assistance of the secretariat, to share, on a voluntary basis, examples of good practices on promoting beneficial ownership information transparency to facilitate the recovery and return of proceeds of crime and financial disclosure requirements for public officials while avoiding the duplication of work undertaken by other international forums.

proceeds of corruption, to enforce foreign conviction-based and non-conviction-based orders in accordance with the requirements of the Convention and to ensure that such frameworks were enforced, and encouraged technical assistance in that regard.

31. In its resolution 7/1, the Conference requested UNODC, and invited the StAR Initiative, to continue to provide and develop capacity-building initiatives on asset recovery, including knowledge products and technical tools, upon request and subject to extrabudgetary resources, in response to technical assistance needs identified during country reviews.

32. In its resolution 9/7, the Conference requested UNODC to continue providing technical assistance, capacity-building and material support, upon request, to Member States, on the basis of their needs and priorities, with regard to establishing and implementing a domestic beneficial ownership information regime in order to facilitate the recovery and return of proceeds of crime.

33. The Working Group has continued to highlight the high level of demand for technical assistance in the implementation of chapter V of the Convention, especially for legal advisory services, and the need for tailor-made approaches. It has emphasized the importance of providing technical assistance in the field of mutual legal assistance to officials and practitioners to enable them to draft requests and responses to requests, and the importance of strengthening the capacity of legislators, law enforcement officials, judges and prosecutors on relevant matters.

34. The Working Group has also noted the crucial role of technical assistance and the need to continue to assist States parties in their efforts to implement the Convention. In that regard, the Working Group has highlighted the importance of the technical assistance provided by, inter alia, UNODC and the StAR Initiative to improve national capacities in the area of asset recovery, and stressed the need for specialized training and capacity-building activities and the importance of granting sufficient resources to UNODC and other relevant providers of assistance. In addition to activities such as seminars and training courses, the Working Group has encouraged the secretariat to organize training sessions using innovative technology such as electronic learning programmes.

35. The Working Group has recommended that technical assistance be enhanced in relation to international cooperation in asset recovery and that UNODC seek to forge more partnerships and coordinate additional technical assistance activities with other relevant organizations and bodies in matters related to asset recovery. It has also requested the secretariat to promote ways and means for Member States to request technical assistance through the StAR Initiative at both the national and regional levels.

36. Furthermore, the Working Group has recommended that States parties consider adopting a curriculum-based approach to technical assistance programmes, with coordination at the regional level in order to ensure the most effective use of the limited resources available.

37. During the sixteenth meeting of the Working Group, two panel discussions were held on technical assistance in relation to chapters IV and V of the Convention (see [CAC/COSP/IRG/2022/6/Add.2](#)). Similarly, during the seventeenth meeting, two panel discussions were held on technical assistance, one in relation to chapters IV and V of the Convention and one on building the capacity of financial intelligence units through technical assistance.

E. Follow-up to the special session of the General Assembly on challenges and measures to prevent and combat corruption and strengthen international cooperation

38. In accordance with the workplan for the subsidiary bodies of the Conference, during the Working Group's seventeenth meeting, in addition to the panel discussion on building the capacity of financial intelligence units through technical assistance, a

second panel discussion was held on the role of intermediaries in preventing the transfer of proceeds of crime. Further information on the discussions regarding the measures implemented in follow-up to the special session of the General Assembly on challenges and measures to prevent and combat corruption and strengthen international cooperation can be found in the report of the Secretariat on the activities of UNODC to support the implementation of the political declaration entitled “Our common commitment to effectively addressing challenges and implementing measures to prevent and combat corruption and strengthen international cooperation”, adopted by the General Assembly at its special session against corruption (CAC/COSP/2023/20).

III. Activities of the United Nations Office on Drugs and Crime to promote asset recovery

39. To date, the activities of UNODC to promote asset recovery have focused on the following three main themes, which cover the six areas of the Working Group’s mandate in accordance with Conference resolution 1/4: (a) developing cumulative knowledge; (b) building confidence and trust between requesting and requested States; and (c) technical assistance, training and capacity-building.

A. Developing cumulative knowledge

40. The Working Group has continued to give high priority to the availability, creation and management of knowledge on asset recovery. The Group has highlighted that tools and knowledge products need to be widely disseminated, and that follow-up on their effectiveness and usefulness should be considered by the Conference or the Group. It has stressed the usefulness of the existing knowledge products, including those of the StAR Initiative, in building national capacity, and has requested the secretariat to prepare a list of those products and to ensure their widest possible dissemination.

41. UNODC has redesigned and reconceptualized the legal library that is part of the TRACK portal in terms of its content and search functions. The redesigned portal contains information on asset recovery, asset return and the management of frozen, seized and confiscated assets. Asset recovery guides, beneficial ownership guides, relevant publications of the StAR Initiative and other resources, grouped by article of the Convention, are also available. In addition, legislation collected through the Implementation Review Mechanism has been made available, with more than 600 records in the legal library. The legislation collected will also be made available in the legislation database of the Sharing Electronic Resources and Laws on Crime (SHERLOC) knowledge management portal.⁵ Connecting the TRACK and SHERLOC portals will allow for the sharing of information collected by UNODC with a wider audience.

42. Since the ninth session of the Conference, UNODC, including through the StAR Initiative, has also published several knowledge products aimed at advancing States parties’ efforts to implement chapter V of the Convention.

43. A new publication by UNODC, entitled *Confiscated Asset Returns and the United Nations Convention against Corruption: A Net for All Fish*, released in September 2023, analyses the asset return process and highlights how the Convention addresses the complexities involved and how the legal systems of a diverse group of countries have been adapted to deal with them.

⁵ The SHERLOC portal is an initiative to facilitate the dissemination of information regarding the implementation of the United Nations Convention against Transnational Organized Crime, the three Protocols thereto and the international legal framework against terrorism.

44. UNODC has also published region-specific knowledge products. For instance, in the context of South-Eastern Europe, the Office developed the following guides: (a) five country guides on mutual legal assistance aimed at supporting practitioners in their asset recovery efforts; (b) six “modus operandi guides” for States parties seeking assistance from Albania, Bosnia and Herzegovina, Montenegro, North Macedonia and Serbia, as well as from Kosovo,⁶ in international cooperation and asset recovery; and (c) six “fast action response guides” in which practical aspects of asset recovery and financial investigation are summarized. UNODC also produced a report on non-conviction-based confiscation in Viet Nam and a report on asset recovery and international cooperation in Indonesia.

45. In April 2022, the StAR Initiative published a report entitled “Signatures for sale: how nominee services for shell companies are abused to conceal beneficial owners”. The report analyses corporate arrangements in which nominees act as agents of principals in control of shell companies. It focuses on how such arrangements can be abused to facilitate financial crime by obscuring the identity of those in control of shell companies and on policies designed to counter that abuse. The report draws evidence from a global mystery shopping exercise based on thousands of solicitations for shell companies, as well as marketing information from shell company providers and journalistic and policy research on the topic.

46. In June 2022, the StAR Initiative, in collaboration with the WU Global Tax Policy Center at the Institute for Austrian and International Tax Law, published a knowledge product entitled *Taxing Crime: A Whole-of-Government Approach to Fighting Corruption, Money Laundering and Tax Crimes*. The publication focuses on the benefits of inter-agency cooperation between tax authorities and law enforcement agencies working on preventing, detecting and recovering the illicit financial flows derived from tax evasion, corruption and money-laundering.

47. Also in June 2022, version 1.0 of a new module to assess money-laundering risks related to legal entities and beneficial ownership-related risks was published. The StAR Initiative led the development of the module as part of the World Bank’s national money-laundering/terrorist financing risk assessment toolkit. Shell companies and other legal structures (such as limited liability partnerships) have emerged as a primary mechanism for moving illicit funds around the world. The module provides a comprehensive methodology for authorities to map out key features of their country’s beneficial ownership framework and assess related money-laundering threats and vulnerabilities. Four more new modules on specific risks were published alongside the above-mentioned module, namely, modules on terrorist financing, virtual assets, non-profit organizations, and environmental and natural resources.⁷

48. In February 2023, the StAR Initiative organized an expert group meeting on the role of equivalent value-based confiscations in recovering the proceeds of corruption to promote information-sharing and collect input for a new knowledge product on the matter. The knowledge product is aimed at encouraging the adoption and use of equivalent value-based confiscations as a mechanism that can facilitate the recovery of proceeds of corruption-related offences. Participants in the expert meeting discussed approaches for raising awareness of value-based confiscation as a key mechanism within asset recovery policies and strategies, facilitating legislative reviews aimed at introducing value-based confiscation into domestic legal frameworks or strengthening existing regimes, and building the capacity of criminal justice actors in relation to value-based confiscation mechanisms, including when executing foreign requests.

49. In June 2023, the StAR Initiative published *Asset and Interest Disclosure: A Technical Guide to an Effective Form*. The guide was presented to the Working Group as part of a panel discussion on good practices and challenges with respect to the establishment of effective financial disclosure systems for appropriate public officials at its seventeenth meeting. The guide concentrates on the disclosure form as a central

⁶ All references to Kosovo in the present report shall be understood to be in the context of Security Council resolution 1244 (1999).

⁷ Further details are available on the StAR Initiative website (<https://star.worldbank.org>).

element of the asset and interest declaration mechanism by which public officials must submit information about their and their family members' incomes, assets, liabilities, expenditures and other interests. It reflects an analysis of the legal framework of more than 150 jurisdictions, combined with the experience gained working directly with countries throughout the different stages of their disclosure system reforms.

50. Also in June 2023, another report was published by the StAR Initiative and the WU Global Tax Policy Center at the Institute for Austrian and International Tax Law, entitled *Unexplained Wealth Orders: Toward a New Frontier in Asset Recovery*. Unexplained wealth orders oblige persons suspected of corruption or other serious crimes to explain the origin of their wealth and discrepancies between their legitimate sources of income and the value of their assets. Such orders are a civil rather than a criminal action and can be an invaluable tool in asset recovery cases in which the cross-border identification and tracing of criminal and corrupt assets is a challenge for investigative agencies and prosecutors. The report provides suggestions regarding approaches to developing similar policies and makes recommendations related to future efforts to use unexplained wealth orders to combat money-laundering and corruption.

51. Furthermore, the StAR Initiative has continued to publish a quarterly newsletter, which provides detailed updates on its activities and knowledge products and highlights thematic areas of interest and upcoming events. Eight issues of the newsletter have been released since the ninth session of the Conference.⁸ The subscription form and all past issues are available on the StAR Initiative website.

52. The StAR Initiative is collecting information to produce country guides on submitting mutual legal assistance requests in relation to asset recovery; those guides will be made easily accessible on the StAR Initiative website. The creation of a single template will mean that the guides have the same format and a similar structure. The template will also bring together in one document information on countries' frameworks for asset return and other matters, such as existing open sources for investigations that can support mutual legal assistance requests, thus providing comparable and quick visual asset recovery guides to States parties. The objective is to ensure that, as far as possible, mutual legal assistance requests in the area of asset recovery are high quality and meaningful and can be executed without the need to request further information from the central authority, and to ensure that no requests need to be rejected on grounds of quality or "fishing".

53. Several other knowledge products will be launched at the tenth session of the Conference. These include:

(a) A publication, tentatively entitled *Civil and Administrative Liability for Corruption: Domestic Practices and Ways to Enhance International Cooperation Under the United Nations Convention Against Corruption*. This knowledge product will analyse obstacles related to international cooperation in the context of civil and administrative liability for corruption, including in relation to asset return;

(b) A publication on the identification of victims of corruption and compensation for damage as a result of acts of corruption, which will complement the document prepared by the secretariat on the matter, prepared in partnership with the Asset Recovery Subcommittee of the International Bar Association;

(c) A how-to guide on asset management, providing in-depth information to practitioners on how to navigate the process of managing seized or confiscated assets in a transparent and accountable manner, entitled *Managing Seized and Confiscated Assets: A Guide for Practitioners*. The guide will complement the UNODC study on the matter entitled *Effective Management and Disposal of Seized and Confiscated*

⁸ Available at <https://star.worldbank.org/star-quarterly>.

*Assets 2017*⁹ and the revised draft non-binding guidelines on the management of frozen, seized and confiscated assets (CAC/COSP/2019/16), in response to resolution 8/1.

B. Building confidence and trust between requesting and requested States

54. The importance of confidence and trust between requesting and requested States for asset recovery has been stressed, in particular as a means of increasing political will, developing a culture of mutual legal assistance and paving the way for successful international cooperation.

1. Central authorities, asset recovery focal points and networks

Central authorities and asset recovery focal points

55. In its resolution 7/1, the Conference urged States parties to ensure that the information provided regarding their central and competent authorities, in line with article 46, paragraph 13, of the Convention, was up to date, in order to enhance the dialogue on mutual legal assistance.

56. The Working Group has requested the secretariat to invite those Member States that have not yet done so to designate a central authority for mutual legal assistance. The Conference made a similar request to all States parties.

57. The online directory of designated competent national authorities, including central authorities for mutual legal assistance and asset recovery focal points, is available at <https://sherloc.unodc.org/cld/v3/sherloc/cna/index.jsp>. Further details on the information available in the directory can be found in the note by the Secretariat on the activities of the open-ended intergovernmental expert meeting to enhance international cooperation under the Convention against Corruption and the work of UNODC to promote international cooperation (CAC/COSP/2023/17).

Networks

58. UNODC and the StAR Initiative continued their engagement with regional networks on asset recovery and confiscation, including the Camden Asset Recovery Inter-Agency Network and the Asset Recovery Inter-Agency Networks for Asia and the Pacific, for the Caribbean, for Eastern Africa, for Southern Africa, for West Africa and in West and Central Asia, and the Asset Recovery Network of the Financial Action Task Force of Latin America.

59. Since the official launch of the UNODC Global Operational Network of Anti-Corruption Law Enforcement Authorities (GlobE Network) on 3 June 2021, 166 authorities from 94 Member States and States parties have become members of, and 11 authorities have become observers to, the Network, to facilitate cooperation on cross-border corruption cases.¹⁰ The GlobE Network enables practitioners to connect directly, informally and securely to share information to facilitate the detection, investigation and prosecution of corruption cases. Partnerships and synergies with existing bodies, organizations and networks with related mandates, such as the StAR Initiative, the International Centre for Asset Recovery of the Basel Institute on Governance and regional asset recovery networks, are essential for increasing and improving cooperation on cases. Since its launch, the GlobE Network has held four plenary meetings and five steering committee meetings. The number of face-to-face case meetings held on the margins of the plenary meetings has gradually increased, reaching 62 at the fourth plenary meeting, with a total of 127 bilateral and

⁹ In its resolution 7/1, the Conference encouraged States parties and UNODC to continue sharing experiences on the management of frozen, seized and confiscated assets, identifying best practices as necessary and building on existing resources, and to consider developing non-binding guidelines on the issue.

¹⁰ Further information about the GlobE Network and the latest membership information is available at <https://globenetwork.unodc.org/>.

multilateral case meetings facilitated to date. For more information, see the note by the Secretariat on the activities of the open-ended intergovernmental expert meeting to enhance international cooperation under the United Nations Convention against Corruption and the work of UNODC to promote international cooperation (CAC/COSP/2023/17).

2. Cooperation between financial intelligence units and anti-corruption agencies

60. In its resolution 8/9, the Conference encouraged States parties to consider making use of opportunities for cooperation through existing practitioner-based networks, such as the asset recovery focal points under the Convention, the Global Focal Point Initiative and the Camden Asset Recovery Inter-Agency Network, and information provided at the financial intelligence unit level, in the course of making requests for mutual legal assistance.

61. The Working Group has recommended strengthening cooperation between financial intelligence units, anti-corruption authorities and central authorities responsible for mutual legal assistance at the national and international levels. Further cooperation with existing networks and institutions, such as the Egmont Group of Financial Intelligence Units, should be explored.

62. UNODC consulted representatives of the Camden Asset Recovery Inter-Agency Network and the Egmont Group during the process of establishing the GlobE Network. As part of shared synergies, the GlobE Network has been granted observer status with the Camden Asset Recovery Inter-Agency Network and the Egmont Group.

63. UNODC continued to be involved in activities of the Egmont Group. Both the StAR Initiative and the UNODC Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism continued to work with financial intelligence units to assist them in joining the Egmont Group and in implementing the Egmont standards for the exchange of information on countering money-laundering and the financing of terrorism. That work also included the promotion of inter-agency cooperation, highlighting the importance of such cooperation to the success of regimes to counter money-laundering and the financing of terrorism. The StAR Initiative has continued to award the StAR Award of Excellence in the Egmont Group Case Award competition to financial intelligence units for their success in asset recovery in corruption cases at Egmont Group plenary meetings.

64. In addition, UNODC works closely with and supports the activities of the International Association of Anti-Corruption Authorities and participates in its Executive Committee.

3. Promoting dialogue and removing barriers to asset recovery

65. The Working Group has emphasized the need for the secretariat to further strengthen its work with regard to promoting dialogue between requested and requesting States, building trust and confidence and nurturing and further strengthening political will in ensuring asset recovery, including in its work with other intergovernmental organizations and in the context of the Group of 20 (G20).

66. In resolution 8/1, the Conference encouraged States parties to remove barriers to applying measures for the recovery of assets, in particular by simplifying their legal procedures, where appropriate and in accordance with their domestic law, and by preventing the abuse of such procedures.

67. In its resolution 8/9, the Conference urged all States parties, in accordance with the Convention, to cooperate to recover the proceeds of crime, at home and abroad, and to demonstrate strong commitment to ensuring the return of confiscated assets, in accordance with article 57 of the Convention. It also encouraged States parties, in

accordance with their domestic laws and in line with domestic priorities, to consider the 2030 Agenda for Sustainable Development in the use of returned assets.¹¹

68. Furthermore, in its resolution 9/3, the Conference called upon States parties, in accordance with the fundamental principles of their legal systems, to strengthen the national, regional and international coordination and cooperation among the bodies involved in the prevention of and fight against corruption, to afford one another, without delay, effective mutual legal assistance, and to take meaningful steps to facilitate effective cooperation and remove barriers, consistent with article 46 of the Convention.

69. Building on two expert group meetings held in Addis Ababa in February 2017 and May 2019, which were convened by the Governments of Ethiopia and Switzerland and UNODC and focused on the management and disposal of recovered and returned stolen assets, including in support of sustainable development, and on the return and disposal of stolen assets, including ways to ensure transparency and accountability in the process and good practices for States parties to consider when dealing with cases of asset return and disposal, a third expert meeting was held in Nairobi on 28 and 29 November 2022. The meeting focused on how asset recovery and return can contribute to the achievement of the 2030 Agenda, support the financing for development process and contribute to the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.¹²

70. In May 2023, UNODC held an expert group meeting in Vienna on civil and administrative liability for corruption. The meeting was organized to examine trends, challenges and good practices in the use of civil and administrative remedies against corruption, both in the context of domestic law and international cooperation and asset recovery. During the meeting, experts discussed and provided input for the draft knowledge product mentioned above, tentatively entitled *Civil and Administrative Liability for Corruption: Domestic Practices and Ways to Enhance International Cooperation under the United Nations Convention against Corruption*.

71. In collaboration with the International Anti-Corruption Coordination Centre and the International Centre for Asset Recovery, the StAR Initiative is organizing the Global Forum on Asset Recovery (GFAR) Action Series, a structured approach to case consultations between requesting and requested States being implemented in preparation for the tenth session of the Conference. The GFAR Action Series was launched by the United States of America, together with France and the United Kingdom of Great Britain and Northern Ireland in July 2023, on the margins of the fourth plenary meeting of the GlobE Network, and follows the GFAR Principles for Disposition and Transfer of Confiscated Stolen Assets in Corruption Cases. Bilateral and multilateral case meetings have been held for the first two focus countries, with more planned on the margins of the tenth session of the Conference.

72. UNODC continued to be actively engaged in a number of international forums to further the dialogue on asset recovery. In particular, the Office provided substantive expertise to the G20 on international cooperation, asset recovery and the prevention of money-laundering. During the G20 presidency of India, UNODC supported the development of the G20 High-Level Principles on Strengthening Asset Recovery Mechanisms for Combating Corruption and the G20 High-Level Principles on Strengthening Law Enforcement-related International Cooperation and Information-Sharing for Combating Corruption. The challenges and good practices identified under the Implementation Review Mechanism informed the drafting of those principles. In addition, UNODC supported the updating by G20 countries of detailed guidance on requesting mutual legal assistance, including for asset tracing

¹¹ In its resolution 7/1, the Conference encouraged States parties to make full use of the possibility of concluding agreements or mutually acceptable arrangements for the return and final disposal of confiscated property pursuant to article 57, paragraph 5, of the Convention and to consider the Sustainable Development Goals in the use and management of recovered assets, while fully respecting the principles of sovereign equality and the territorial integrity of States and of non-intervention in the domestic affairs of other States, in line with article 4 of the Convention.

¹² For more information, see www.unodc.org/unodc/en/corruption/meetings/nairobi-egm-2022.html.

and asset return, as well as assistance in civil and administrative matters. The updated guides are available on the UNODC website, which compiles all G20 anti-corruption resources,¹³ and will also be made available on the StAR Initiative website. During the G20 presidency of Indonesia, in 2022, UNODC, inter alia, supported the development of a questionnaire and a corresponding compendium on the regulatory framework and supervisory measures for legal professionals.

73. Furthermore, together with the StAR Initiative, UNODC supported the work of the gatekeeper task force, a cross-sectoral task force of industry leaders convened by the World Economic Forum Partnering against Corruption Initiative and the Global Future Council on Transparency and Anti-Corruption. In 2021, the task force developed a unifying framework for self-regulation and collective action across all gatekeeping industries, whose implementation across industries it was promoting at the time of drafting of the present note.

74. UNODC and the StAR Initiative provided expertise and shared knowledge on asset recovery in a vast range of meetings and conferences, with a view to promoting coordination with regard to asset recovery. For example:

(a) In May 2022, the StAR Initiative participated in the sixth Meeting of the Punta del Este Declaration (Organisation for Economic Co-operation and Development Global Forum), where it contributed to the panel discussion on the creation of effective legal frameworks for beneficial ownership in Latin America, discussing recent developments in beneficial ownership and in particular, the move towards a multifaceted approach to the availability of beneficial ownership information;

(b) In December 2022, the StAR Initiative participated in the International Anti-Corruption Conference hosted by Transparency International and the United States, held in Washington, D.C. The StAR Initiative organized and hosted a session at the Conference focused on the corporate secrecy industry, which highlighted the need for stronger regulations of corporate service providers selling anonymous shell companies and nominee services;¹⁴

(c) The StAR Initiative participated as a member of the drafting group in the process of revising the Financial Action Task Force standards related to confiscation and international cooperation (Recommendations 4 and 38). The project group drew on the StAR Initiative's publications on asset recovery during that process;

(d) From 2020 to 2022, UNODC and the StAR Initiative also contributed to the revision of Financial Action Task Force Recommendation 24, on transparency and beneficial ownership of legal persons. Experts participated in the project group and were core members of the drafting group for new Financial Action Task Force guidance on beneficial ownership, contributing in particular on the topics of nominees, verification and international cooperation. Changes to Recommendation 24 were adopted in March 2022, and new Financial Action Task Force guidance on beneficial ownership was published in March 2023;¹⁵

(e) In February 2023, the StAR Initiative participated virtually in a panel discussion on asset recovery during the second High-Level Conference on the Fight Against Corruption in Africa, organized by Mali in the framework of the African Association of Anti-Corruption Authorities. Opening with an overview of the international legal framework and StAR Initiative activities in the area of country engagements, knowledge and policy, the panel discussion then turned to challenges in seizing and managing proceeds of crime.

¹³ Available at www.unodc.org/unodc/en/corruption/g20-anti-corruption-resources/g20-step-by-step-guides-on-international-cooperation-and-asset-recovery.html.

¹⁴ See policy recommendations on regulation of the corporate secrecy industry, developed jointly by the StAR Initiative, Finance Uncovered and Transparency International Canada, available at <https://star.worldbank.org/signatures-sale-look-inside-corporate-secrecy-industry>. The session report is available at <https://star.worldbank.org/events/international-anti-corruption-conference-2022>.

¹⁵ Available at www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-Beneficial-Ownership-Legal-Persons.html.

C. Technical assistance, training and capacity-building

75. The Working Group has discussed types of technical assistance relevant to asset recovery, such as gap analyses, assistance in drafting new legislation and the facilitation of the mutual legal assistance process, and has recognized the urgent and constant need for capacity-building and training.

76. In response to requests for technical assistance by States parties, UNODC has continued to provide such assistance in order to strengthen the capacity of States parties to implement chapter V of the Convention and facilitate their full participation in the Implementation Review Mechanism, in particular since the start of the second cycle. The Office has continued to establish regional anti-corruption hubs to reinforce the presence of anti-corruption expertise in the field. A strengthened field-based capacity has enabled UNODC to respond more rapidly to increasing technical assistance requests from States parties. In September 2021, UNODC launched its anti-corruption hub in Mexico to coordinate and deliver technical assistance to States parties in Latin America and the Caribbean, in line with the Office's Strategic Vision for Latin America and the Caribbean 2022–2025. UNODC also established a second anti-corruption hub for Africa, based in Kenya, thus contributing to the implementation of its Strategic Vision for Africa 2030 and the Agenda 2063: The Africa We Want. An additional hub will be established in South America in September 2023.

77. In 2022, UNODC, including through the StAR Initiative, provided technical assistance to 17 countries, including seven that were working on legislative reform. During that period, four States parties adopted new laws or amendments related to asset recovery, five received support in improving domestic coordination processes and four received assistance in improving international cooperation to aid asset recovery cases. In addition, over 700 professionals received asset recovery training globally. Further information on the country work carried out under the StAR Initiative is included in its annual report for 2022¹⁶ and its quarterly newsletters.¹⁷

78. Furthermore, upon request, UNODC and the StAR Initiative have continued to provide assistance to national authorities related to legislative and regulatory reforms of their countries' beneficial ownership frameworks. The objective of that assistance is to address gaps and weaknesses in legislative frameworks for collecting, holding, storing and providing access to beneficial ownership information, and to close gaps in countries' understanding of related risks. Further information can be found in a note by the Secretariat containing an analysis of technical assistance needs emerging from the country reviews and assistance delivered by UNODC in support of the implementation of the Convention against Corruption (CAC/COSP/2023/10).

IV. Reporting and follow-up

79. The Conference may wish to consider providing further guidance on the following:

- (a) Ways to address existing challenges in and obstacles to asset recovery and enhance the implementation of chapter V;
- (b) Different avenues to encourage States parties to continuously share information on new asset return cases;
- (c) Important topics deserving additional consideration by the Working Group;
- (d) The development of guidelines, good practices, knowledge products and other tools to improve the implementation of chapter V of the Convention;
- (e) The role that UNODC, including through the StAR Initiative and the Globe Network, could play in facilitating international cooperation in asset recovery, through

¹⁶ Available at <https://star.worldbank.org/annual-reports>.

¹⁷ Available at <https://star.worldbank.org/star-quarterly>.

creating forums for building confidence between requesting and requested States, establishing bilateral contacts and secure channels for communication, and building capacity in that area;

(f) The role of UNODC in the delivery of technical assistance at the national and regional levels, including through the new regional anti-corruption hubs, and how best to address the needs that are identified, including in the reviews, in order to ensure that States parties in need of expertise and assistance can avail themselves of such expertise and assistance in a timely and effective manner;

(g) Concrete actions to support the implementation of the commitments contained in the political declaration adopted at the special session of the General Assembly against corruption;

(h) Ways to enhance international cooperation for the purpose of verifying beneficial ownership data and asset disclosures, as well as to exchange such data to facilitate asset recovery.

80. The Conference may wish to encourage States to continue providing statistical information on asset recovery cases and information on challenges to asset recovery, in response to requests by UNODC and the StAR Initiative, that can be used to update the StAR Initiative's Asset Recovery Watch database.

81. The Conference may also wish to continue to encourage States to make use of their reviews under the second review cycle to enhance their implementation of chapter V of the Convention and continue to follow up on observations relevant to asset recovery emanating from the first review cycle, and request technical assistance to address any challenges identified.

82. Lastly, the Conference may wish to consider the activities carried out by the Working Group at its sixteenth and seventeenth meetings and adopt a workplan for the Working Group for the period 2024–2025.
