United Nations CAC/COSP/IRG/II/1/1

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

Distr.: General
24 April 2017

Original: English

Implementation Review Group
Eighth session
Vienna, 19-23 June 2017
Item 2 of the provisional agenda*
Review of implementation of the United Nations Convention against Corruption

Executive summary

Note by the Secretariat

Addendum

Contents

Page

II. Executive summary 2
Liechtenstein 2

* CAC/COSP/IRG/2017/1.

V.17-02520 (E) 270417 280417

II. Executive summary

Liechtenstein

1. Introduction: overview of the legal and institutional framework of Liechtenstein in the context of implementation of the United Nations Convention against Corruption

Liechtenstein signed the United Nations Convention against Corruption on 10 December 2003, ratified it on 16 December 2009 and deposited its instrument of ratification on 8 July 2010.

The implementation by Liechtenstein of chapters III and IV of the Convention was reviewed in the fourth year of the first cycle, and the executive summary of that review was published on 30 March 2015 (CAC/COSP/IRG/I/4/1/Add.9).

Liechtenstein uses the incorporation system or monist system for the implementation of international treaties. Therefore, the Convention has become an integral part of Liechtenstein domestic law following its ratification and entry into force on 7 August 2010. Within the hierarchy of norms, the Convention as an international treaty has at least the status of statutory law in the domestic legal order and takes precedence over earlier laws (*lex posterior*).

Liechtenstein is a constitutional hereditary monarchy on a democratic and parliamentary basis. The power of the State is embodied in the Reigning Prince and the people. Liechtenstein forms a monetary and customs union with Switzerland and therefore a variety of the laws of Switzerland apply in Liechtenstein as well. The Criminal Code (CC) and the Criminal Procedure Code (CPC) are largely based on the laws of Austria.

As a member of the European Economic Area (EEA), Liechtenstein is fully subjected to European Union (EU) legislation on the EU internal market, including the anti-money-laundering and counter-terrorist-financing framework. In particular, Liechtenstein is about to finalize the transposition of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money-laundering or terrorist financing (known as the fourth EU anti-money-laundering directive) into national law (final parliamentary reading envisaged for May 2017; some elements of the directive have already been transposed in 2016). Additionally, Liechtenstein is party to international and multilateral organizations and agreements, including Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a regional body in the style of a financial action task force, the Council of Europe Group of States against Corruption (GRECO), and the Egmont Group of Financial Intelligence Units. Liechtenstein has recently ratified the Council of Europe Criminal Law Convention on Corruption and the Additional Protocol thereto.

The most important institutions for the prevention and countering of corruption are the Working Group for the Prevention of Corruption, the National Police, the Financial Market Authority (FMA), the financial intelligence unit and the Office of the Public Prosecutor.

2. Chapter II: preventive measures

2.1. Observations on the implementation of the articles under review

Preventive anti-corruption policies and practices; preventive anti-corruption body or bodies (arts. 5 and 6)

Overall, Liechtenstein has in place a far-reaching legal and regulatory framework for all the Convention's prevention provisions, as outlined in more detail below. Liechtenstein has not adopted a single, written anti-corruption strategy. Rather, it uses the recommendations formulated in the context of the international

anti-corruption peer reviews as a basis for continuously strengthening the existing framework. This approach takes into account the limited size and resources of its national administration, while ensuring that the policy decisions are based on applicable international standards.

The Working Group for the Prevention of Corruption is the main preventive anti-corruption body in Liechtenstein. The Working Group evaluates and makes proposals to amend the national framework in the light of the international recommendations. In addition, to date, it has proposed and implemented various preventive measures, including training sessions for public officials and local authorities, the elaboration of the Code of Conduct for Corruption Prevention for public officials and the introduction of a new whistle-blowing regime. The Working Group is composed of representatives of the Office for Foreign Affairs, the Anti-Corruption Police Unit, the Public Prosecutor's Office, the financial intelligence unit, the Office of Justice, the Prime Minister's Office and the Office of Human and Administrative Resources (OHAR). The Working Group is responsible to the Government as a whole and the question of independence does not seem to pose any practical challenges because of the coordinating nature of the Group's work.

Other national bodies also play an important role in the prevention of corruption and include: the PROTEGE Working Group, which is responsible for coordinating all activities related to anti-money-laundering and counter-terrorist financing; the anti-corruption unit at the National Police; the FMA; the financial intelligence unit and the National Audit Office. All these bodies are given the necessary independence to carry out their tasks effectively and free from undue influence.

Liechtenstein has informed the Secretary-General that the Office for Foreign Affairs will be the designated prevention authority under article 6, paragraph 3 of the Convention, in view of the chairing role of the Office's Deputy Director in the Working Group for the Prevention of Corruption.

Despite its small size, Liechtenstein actively participates in various anti-corruption initiatives and programmes. It is a member of GRECO and a State party to the agreement establishing the International Anti-Corruption Academy (IACA). Liechtenstein acts as a voluntary donor of IACA, the Global Anti-Corruption Initiative of the United Nations Development Programme, Anti-Corruption Network for Eastern Europe and Central Asia of the Organization for Economic Cooperation and Development as well as the International Centre for Asset Recovery.

Public sector; codes of conduct for public officials; measures relating to the judiciary and prosecution services (arts. 7, 8 and 11)

The recruitment, hiring, retention, promotion and retirement of public officials is regulated by the State Personnel Act (SPA) and the State Personnel Ordinance (SPO).

In general, public advertisement of vacancies takes place on the Internet through the electronic official gazette. In addition, vacancies are also made public in the two national newspapers. For lower-ranking positions, there is a general policy of publishing vacancies first internally to allow for some rotation within the administration and to use the existing resources. However, even internal candidates have to always fulfil all the requirements prescribed for the given position, and if they fail to do so, the position is subsequently advertised publicly. Vacancies at the director (head of office) level must always be advertised publicly. There is no appeal mechanism in place for unsuccessful candidates to challenge a hiring decision, except for cases where the candidate suspects a conflict of interest. OHAR keeps a file for every recruited official, including the disciplinary measures imposed. Public officials have competitive remuneration. Employees of the national administration are provided with training on various topics, including anti-corruption.

Upon entering service, each public official has to take an oath of office (art. 108 of the Constitution). The SPA sets out general duties of public officials (art. 37) and requires them to maintain service confidentiality (art. 38). The Criminal Code establishes an offence of violation of official secrecy (art. 310, para. 1).

Rules for recusal and disqualification of public officials when a conflict of interest arises are set out in the National Public Administration Act (in particular arts. 6, 7 and 23).

Secondary employment of public officials is permissible only if it does not interfere with the official duties (art. 40 SPA). All secondary employment must be notified to the relevant director of the office (art. 40 SPA), and some kinds of secondary employment further require the approval by the Government (as listed in art. 33 SPO).

When public officials move from public positions to the private sector, a cooling-off period of up to two years may be imposed (art. 39a SPA).

Acceptance of gifts is punishable under criminal law as passive bribery (art. 304 CC). Article 32 of SPO provides an exhaustive list of small, customary gifts which may be accepted by public officials. However, even these exceptionally permitted gifts require the approval of the supervisor.

In 2016, Liechtenstein adopted the Code of Conduct for Corruption Prevention for public officials, which includes chapters on conflicts of interest and recusal, gifts and other advantages, secondary employment, candidature for public office and an obligation to report corruption. While the Code is only an awareness-raising tool and not a disciplinary tool, it is based on the relevant provisions of SPA and SPO which provide for disciplinary measures. The disciplinary sanctions include: a warning; a written reprimand; reduction of wages; assignment of other duties; transfer; demotion; or termination of employment (art. 49 SPA).

The director of each office is responsible for monitoring compliance and addressing non-compliance with the SPO, SPA, the National Public Administration Act and the Code of Conduct, with the support of OHAR.

Public officials have a duty to report suspected crime to their director of the office (art. 38a SPA), who is then subject to an obligation to file a report with the law enforcement authorities (art. 53 of CPC). In addition, the Code of Conduct for Corruption Prevention explicitly states that the reporting obligation may also be fulfilled by filing a report directly with the National Police in accordance with article 55 of CPC.

Criteria concerning candidature for and election to public office are set out in the People's Rights Act and the Local Authorities Act. There is no requirement for asset disclosure by candidates for public office. Candidatures by public officials for elected office must be notified to the Government, which may exceptionally prohibit the candidature if it interferes with the official duties (art. 41 SPA).

While the Working Group for the Prevention of Corruption has considered the issue of asset declarations for elected and public officials in accordance with article 8 paragraph 5 of the Convention, it concluded that public disclosure of such declarations would violate the right to privacy of the individuals concerned and their family members. However, with the implementation of the fourth EU anti-money-laundering directive, domestic public officials will be considered politically exposed persons and therefore subject to enhanced due diligence requirements. In addition, all public officials are subject to tax declarations of their worldwide income and assets.

Public funding of political parties is regulated in the Law on the Payment of Contributions to Political Parties. It provides for the public subsidization of political parties, and requires the political parties to keep records of the use of the contributions and to publish their annual financial statements. Private donations to political parties are left unregulated and do not have to be disclosed. Liechtenstein

is currently in the process of considering the GRECO recommendations on the transparency of party funding and on the issue of private donations. Political parties have the status of associations and are subject to mandatory audits (art. 251b of the Persons and Companies Act).

Independence of the judiciary is established in the Constitution (art. 95). The court organization is governed by the Constitution, the Court Organization Act, the National Public Administration Act (with regard to the Administrative Court) and the Constitutional Court Act. The recruitment of judges is regulated in the Judicial Service Act and the selection of judges is done by the Judicial Selection Commission. The courts make use of professional as well as lay judges. In addition, the first-instance judges as well as the majority of appeal judges are appointed for lifelong full-time service. Some appeal judges as well as judges at the Supreme Court and the Constitutional Court work part-time and are appointed for a limited time only. The Judicial Service Act provides for rules on the exclusion and recusal of judges in case of a conflict of interest (arts. 56 and 57), on the prohibition of gifts (art. 22), as well as on excluded activities and secondary employment (arts. 24 and 25).

The organization and functioning of the Office of the Public Prosecutor is regulated in the Prosecution Service Act (PSA). The Office is headed by the Prosecutor General and staffed by six prosecutors. All confirmed prosecutors enjoy lifelong tenure (art. 34 PSA). The PSA sets out the rights and obligations of prosecutors (arts. 36-47), and includes rules on conflicts of interest and disqualification (arts. 22-24) and gifts (art. 40). Various measures have been taken to strengthen the Office's independence, for example through prohibiting the Government to issue instructions on the non-initiation or abandonment of charges and proceedings.

Public procurement and management of public finances (art. 9)

The Department of Public Procurement is the body responsible for the overall coordination of procurement in Liechtenstein and for giving advice to contracting authorities. Procurement is regulated by the relevant EU directives, which are applicable in Liechtenstein by way of their transposition into national law, in particular the 2005 Public Procurement Act (PPA). In addition, the directly applicable EU regulations, the Convention Establishing the European Free Trade Association and the revised Agreement on Government Procurement of the World Trade Organization are also applicable.

Under the PPA, open tenders are mandatory to award contracts above the relevant de minimis threshold provided for in the applicable EU directives. Contracts are awarded according to the most economically advantageous tender while additional criteria, such as quality and environmental characteristics may be taken into account.

The procedures and competences for the elaboration and adoption of the national budget are set out in the Financial Budget Act. The national budget is prepared by the Government and approved by Parliament. The Government must submit detailed annual reports on revenues and expenditures to Parliament.

In accordance with the National Audit Act, the National Audit Office is responsible for auditing the national accounts, State subsidies and payments and public procurement. The Office also examines the internal control systems of the individual public offices for their efficiency and effectiveness. If an error is found, the Office can propose corrections or take disciplinary measures, such as a warning or a termination of the work contract.

The procedures for storing official documents and access to archives are set out in the Archives Act and its corresponding ordinance.

Public reporting; participation of society (arts. 10 and 13)

Access to information is governed by the Public Information Act (PIA) and the Public Information Ordinance. Information is provided ex officio via official promulgation, national television, press releases and publications. In addition, anyone can request access to other official documents, which may only be withheld exceptionally if there is an overriding public or private interest (art. 3(3) PIA). If access to information is denied, appeals can be made to the Government and to the Administrative Court.

As a member of EEA, Liechtenstein complies with a range of requirements related to information technology and e-government to facilitate public access to the decision-making authorities. These are implemented through the 2010 Services Act and the 2011 eGovernment Act, which promote electronic communication and facilitate access to public authorities.

Participation of society in public decision-making processes is ensured through elections, popular initiatives and referendums. In addition, anyone may comment on draft laws during the consultation procedures within the legislative process. The relevant organizations, including NGOs, are even explicitly invited to provide comments on draft laws in the areas of their expertise. The curricula of the country's primary and secondary schools contain activities regarding ethical behaviour and anti-corruption.

Anyone can report corruption directly to the Anti-Corruption Police Unit, including through the dedicated mailbox and hotline. The Unit organizes various training and awareness-raising activities for public officials to promote the whistle-blowing regime.

Private sector (art. 12)

The Persons and Companies Act (PCA) requires the registration of certain entities in the public commercial register. Liechtenstein is also considering establishing a centralized register of beneficial owners of legal entities. The PCA contains the so-called business judgment rule, according to which all actions taken for a legal entity must be free from conflict of interest and to the benefit of the company. Liechtenstein introduced corporate criminal liability in 2010.

All legal entities supervised by the FMA are subject to mandatory licensing. Auditing and accounting standards are regulated by the EU directives, the PCA and the Auditors Act. Legal entities must keep proper books and accounting, otherwise they will be subject to sanctions set out in the PCA. In addition, criminal provisions on forgery and falsification of documents (section 223 CC), aggravated fraud (section 147 CC) and deceit (section 108 CC) can also apply.

A special whistle-blowing mechanism has been established by the FMA for actual or possible violations in the field of its responsibility.

Tax deductibility of expenses that constitute bribes is not allowed (art. 47, para. 3k of the Tax Act).

Measures to prevent money-laundering (art. 14)

As a member of MONEYVAL, Liechtenstein has to implement and apply all recommendations of the Financial Action Task Force and is carrying out a national risk assessment. In addition, Liechtenstein, as a member of the EEA, is currently transposing the fourth EU anti-money-laundering directive into national legislation.

Liechtenstein has a far-reaching domestic regulatory and supervisory regime for banks and non-bank financial institutions, with the Due Diligence Act (the Liechtenstein anti-money-laundering and counter-terrorist financing act) and the FMA as its cornerstones. The FMA was established in 2005 as an integrated and independent supervisory authority. The FMA is the sole supervisor in Liechtenstein and is represented in supervisory organizations at the global level (e.g. the

International Organization of Securities Commissions, the International Association of Insurance Supervisors, the International Forum of Independent Audit Regulators) and the European level (e.g. the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority).

However, there is a certain over-reliance on private auditors to conduct anti-money-laundering inspections which may reduce the effectiveness of those inspections and affect the quality of supervision overall. While the extensive use of private auditors allows for annual anti-money-laundering inspections of all financial institutions, which is a commendable practice, a greater number of inspections by the FMA itself seems indispensable to get sufficient insight into the conduct of the audited entities and fully understand the possible risks. The use of private auditors also creates a potential for conflicts of interest because while those auditors are approved and appointed by the FMA, they are nominated and paid for by the obligated entities, who invariably nominate their own statutory auditors.

On 1 March 2016 the revised Financial Intelligence Unit Act came into force, broadening the powers of the financial intelligence unit to request additional information from reporting entities. These powers can be equally applied when requests from foreign financial intelligence units are sent to the financial intelligence unit. The financial intelligence unit regularly exercises these powers in a timely fashion and exchanges such information internationally in line with the standards of the Egmont Group of Financial Intelligence Units either upon request or spontaneously. Obliged entities are responsible for the filing of suspicious activity reports and suspicious transaction reports. A suspicious activity report is to be filed in cases when a suspicion occurs with regard to an active customer relationship (i.e. persons, entities, funds or other assets) and not in connection with a specific transaction. Suspicious transaction reports are filed in cases where the suspicion is caused on specific transactions.

Liechtenstein has a disclosure-based regime to monitor the movement of currency and bearer-negotiable instruments across its borders (with a threshold of 10,000 Swiss francs), and a comprehensive regime covering money remitters and the electronic transfer of funds.

2.2. Successes and good practices

- Liechtenstein has a well-established domestic anti-money-laundering and counter-terrorist financing regime with annual anti-money-laundering audits of financial institutions (art. 14(1)(a));
- The Liechtenstein financial intelligence unit can share internationally all information that can be collected domestically (art. 14(1)(b)).

2.3. Challenges in implementation

- In the absence of an explicit anti-corruption policy, Liechtenstein is encouraged to ensure that all areas of the Convention are subject to a comprehensive and ongoing review by the Working Group for the Prevention of Corruption (art. 5(1));
- Liechtenstein is encouraged to further enhance transparency in the recruitment and promotion of public officials, including, where appropriate and possible within the limits of the national administration, through strengthening the system for the rotation of positions that are considered especially vulnerable to corruption, and extending the public advertising of vacancies (art. 7(1));
- Liechtenstein is encouraged to consider enhancing the transparency of private donations to political parties, ideally through the introduction of a threshold for publication (art. 7(3));

- Liechtenstein is recommended to continue to ensure that the use of part-time judges who are appointed for a limited time only does not compromise the integrity and independence of the judiciary at the Supreme Court and the Constitutional Court (art. 11);
- Liechtenstein is recommended to continue to consider the risks posed by, and the transparency of, trusts (art. 12);
- It is recommended that the FMA conduct a larger proportion of inspections itself and strengthen the measures to mitigate the risk of conflicts of interest in mandated audit firms, possibly by requiring that anti-money-laundering audits and statutory audits not be carried out by the same audit firm (art. 14).

3. Chapter V: asset recovery

3.1. Observations on the implementation of the articles under review

General provision; special cooperation; bilateral and multilateral agreements and arrangements (arts. 51, 56 and 59)

Liechtenstein has a well-established legal regime for asset recovery and has actually returned sizeable amounts of money (in excess of $200 million in one case alone).

The mutual legal assistance framework of Liechtenstein allows for spontaneous transmission of information such as suspicious transactions or unusual payments by legal entities (art. 54a of the Mutual Legal Assistance Act).

Liechtenstein has been actively participating in the Lausanne process to develop guidelines for the efficient recovery of stolen assets and identify good practices and concrete steps in international cooperation to ensure effective procedures for freezing and returning stolen assets.

Liechtenstein is implementing the automatic exchange of tax information initiated by the Organization for Economic Cooperation and Development (OECD) as a member of the so-called early adopters group, and will begin the first automatic exchanges of financial account information from 2017.

Prevention and detection of transfers of proceeds of crime; financial intelligence unit (arts. 52 and 58)

Pursuant to article 3, paragraphs 1 and 2, of the Due Diligence Act (DDA) all financial institutions as well as all designated non-financial businesses and professions are subject to the DDA and the Due Diligence Ordinance (DDO). The DDA and the DDO provide for a comprehensive know-your-customer regime and beneficial ownership transparency as well as for the identification of politically exposed persons. While currently, domestic politically exposed persons do not fall under the definition in article 2(1)(h) DDA, this issue will be addressed under the new provisions for the transposition of the fourth EU anti-money-laundering directive.

In addition to the legal requirements regarding enhanced due diligence measures set out in article 11 DDA and article 23 DDO, the FMA has published a specific guidance document (2013/1) on the application of the risk-based approach. In addition, all entities subject to due diligence are kept informed of listed persons via electronic FMA newsletter whenever the Government decides to amend the relevant sanctions lists based on United Nations Security Council resolutions. Pursuant to article 20 DDA, all entities subject to due diligence must document their compliance with the DDA and DDO requirements. For that purpose they must keep and maintain due diligence files for at least 10 years. Sanctions can be imposed for non-compliance with the legal requirements set out in the DDA and DDO.

Shell banks are defined in article 2 (1) (g) DDA. Pursuant to article 15 (4) of the Banking Act, the establishment of banks that have no physical presence and which are not affiliated with a regulated financial group are prohibited in Liechtenstein.

The Liechtenstein financial intelligence unit was established in 2001 and joined the Egmont Group of Financial Intelligence Units one year later. The operational independence of the unit is set out in article 3(2) of the Financial Intelligence Unit Act. The unit has its own budget. All its employees are public officials employed for an indefinite term. Its current Director has chaired the Istanbul Action Plan of the OECD Anti-Corruption Network for Eastern Europe and Central Asia and also MONEYVAL. The financial intelligence unit has regularly participated in meetings held under the auspices of the Arab Forum on Asset Recovery as well as the Ukrainian Forum on Asset Recovery.

Under the revised Financial Intelligence Unit Act of 2016, the unit has broadened powers to request additional information from reporting entities. It can exchange such information freely with other members of the Egmont Group of Financial Intelligence Units without the need for a memorandum of understanding. Nevertheless, the unit has signed memorandums of understanding with 23 partner units, as those units were legally required to have a memorandum of understanding in place in order to exchange financial intelligence.

Currently, the financial intelligence unit has no powers to temporarily block the transfer of suspicious funds. However, this power will come with the transposition of the fourth EU anti-money-laundering directive.

Measures for direct recovery of property; mechanisms for recovery of property through international cooperation in confiscation; international cooperation for purposes of confiscation (arts. 53, 54 and 55)

Liechtenstein law treats foreign countries just like any other legal person. Therefore, foreign countries can initiate civil action and sue for compensation or damages in Liechtenstein courts. The rights of other States parties as legitimate owner of property subsequently acquired through the commission of a Convention offence are protected (arts. 20a, 20c CC and art. 354 CPC).

Liechtenstein has a comprehensive domestic legal regime for confiscation. Article 19a CC allows the confiscation of instrumentalities. Article 26 CC provides for preventive confiscation of instrumentalities also without conviction if these objects endanger the safety of persons, morality, or the public order. The confiscation of proceeds of crime is governed by article 20 CC, with extended confiscation of proceeds of corruption explicitly provided for in article 20b (3) CC. Finally, article 356 CPC allows non-conviction-based confiscation.

Foreign court orders for confiscation, freezing and seizing can be enforced pursuant to article 64 of the Mutual Legal Assistance Act (MLAA). In practice, a domestic procedure will often be opened in parallel.

Liechtenstein can issue domestic confiscation and freezing orders without a foreign court order, on the basis of a request for mutual legal assistance or media reports. Such requests for mutual legal assistance do not need to go through diplomatic channels either.

The identification of proceeds can be done under article 98a CPC, freezing under article 97a CPC and house searches under article 92 et seq. CPC.

Liechtenstein does not require a treaty to provide cooperation for purposes of confiscation. The provisions of the MLAA apply unless otherwise provided for in international agreements. Moreover, the provisions of the Convention against Corruption are directly applicable. According to article 9 MLAA, the CPC is applicable in mutual assistance procedures. However, a request for carrying out a different procedure is granted provided that this process is compatible with the principles of the Liechtenstein criminal proceedings (art. 58 MLAA). If legal assistance is not granted in whole or in part, the foreign authority making the request will be informed by indicating the reasons. In practice, Liechtenstein applies a de minimis threshold of about 10,000 Swiss francs for freezing orders as far as assets of legal persons are concerned. Before lifting any provisional measure,

consultations with the requesting State party are mandatory. The rights of bona fide third parties are protected by articles 20a and 20c CC and article 354 CPC.

Return and disposal of assets (art. 57)

Assets and objects confiscated pursuant to article 64 MLAA devolve to the State of Liechtenstein. However, the Government, pursuant to article 253a CPC, may conclude an agreement on the transfer of such assets and objects to the State where the offence was committed.

The provisions of the Convention against Corruption are directly applicable and provide a legal basis for Liechtenstein to return confiscated property to countries of origin, taking into account the rights of bona fide third parties. Moreover, article 253a CPC applies.

Although there is no legislative basis enabling the waiving of the requirement of a final judgment in the requesting State, assets can still be returned on a different basis. For example, in the Abacha case, which involved the embezzlement of funds in Nigeria, the funds were confiscated in separate in rem forfeiture proceedings. Moreover, if there is a domestic confiscation order, the money can be returned also in the absence of a foreign final judgment. Any injured party may join the criminal proceedings as a private party and may claim damages. The court may award damages in the judgment to the private party (arts. 32 to 34 CPC, arts. 257 to 270 CPC). Reasonable expenses can be deducted.

3.2. Successes and good practices

- Despite its very small size, Liechtenstein has been actively engaged in the development and promotion of international cooperation in order to combat money-laundering and return stolen assets (art. 51);
- Liechtenstein has issued domestic freezing orders without a foreign court order, on the basis of a request for mutual legal assistance or media reports. Such requests do not need to go through diplomatic channels. Before lifting any provisional measure, consultations with the requesting State party are mandatory (arts. 54(2)(a), 55(8));
- In the Abacha case, the Convention was used as the legal basis for cooperation with the requesting State, Nigeria (art. 55(6)).

3.3. Challenges in implementation

- Liechtenstein is encouraged to finalize the transposition of the fourth EU anti-money-laundering directive (2015/849) to address the existing gaps in its anti-money-laundering/counter-terrorist financing legislation on domestic politically exposed persons and beneficial ownership registers.