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Open-ended Intergovernmental Working Group on Asset Recovery

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**Overview of progress made in the implementation of asset
recovery mandates**

Progress report in implementing the mandates of the Open-ended Intergovernmental Working Group on Asset Recovery

Note by the Secretariat

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 (the Conference), established the Open-ended Intergovernmental Working Group on Asset Recovery (the Working Group). The resolution stipulated that the Working Group was 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 established the functions of the Working Group including, inter alia, assisting the Conference in developing cumulative knowledge in the area of asset recovery, facilitating the exchange of information, good practices and ideas among States, and building confidence and encouraging cooperation between requesting and requested States.

3. Also in the same resolution, the Conference decided that the Working Group should meet during the sessions of the Conference and, as appropriate, should hold at least one intersessional meeting within existing resources.

4. At its second to sixth sessions, the Conference decided to continue the work of the Working Group. It also decided that the Working Group should hold at least

* CAC/COSP/WG.2/2016/1.



two meetings prior to the next sessions of the Conference in order to perform its mandated tasks within existing resources.

5. It should be recalled that in its resolution 70/1 dated 25 September 2015 the General Assembly adopted the 2030 Agenda for Sustainable Development. Of special importance to the Working Group is Goal 16 of the Agenda and in particular target 16.4 which aims, inter alia, at strengthening the recovery and return of stolen assets.

6. Also of special reference to the Working Group is General Assembly resolution 69/313, which endorsed Addis Ababa Action Agenda of the Third International Conference on Financing for Development that, inter alia, encouraged the international community to develop good practices on asset return and supported the Stolen Asset Recovery Initiative of the United Nations and the World Bank and other international initiatives that support the recovery of stolen assets.

7. In its resolutions 6/2 and 6/3 the Conference requested the Secretariat, within existing resources, to assist the Working Group on Asset Recovery in the performance of its functions, including by providing interpretation services in the six official languages of the United Nations.

8. The Working Group held its first through ninth meetings annually in Vienna from 2007 to 2015.¹

9. The present background paper has been prepared to inform the Working Group at its tenth session on the status of implementation of its recommendation and those of the Conference relating to asset recovery. It is aimed at assisting the Working Group in its deliberations and in determining its future activities.

II. Overview of the status of implementation of the recommendations of the Conference of the States Parties and the Working Group

10. Previous meetings of the Working Group had focused on three main themes: developing cumulative knowledge; building confidence and trust between requesting and requested States; and technical assistance, training and capacity-building.

11. With respect to the development of cumulative knowledge on asset recovery, the Working Group expressed its continued interest in the development of knowledge and related tools that would facilitate legislative reforms in the area of asset recovery.

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

13. The Working Group also discussed types of technical assistance relevant to asset recovery such as capacity-building and training, gap analyses, assistance in

¹ CAC/COSP/WG.2/2015/1.

drafting new legislation and the facilitation of the mutual legal assistance process and recognized the urgent and constant need to provide training.

14. The Working Group has repeatedly noted the need to strengthen coordination of various initiatives in asset recovery. In this regard, the work of the Stolen Asset Recovery (StAR) Initiative of the United Nations Office on Drugs and Crime (UNODC) and the World Bank with developing countries and financial centres was noted.

A. Developing cumulative knowledge

1. Tools for gathering and sharing information

15. The Working Group has consistently given high priority to the availability, creation and management of knowledge on asset recovery. It particularly commended the progress made by the Secretariat on the United Nations Convention against Corruption Legal Library (the UNCAC Legal Library) and the comprehensive knowledge portal developed by UNODC known as TRACK.

16. At its seventh session the Working Group called upon States parties to provide regular updates on the information contained in the relevant databases of knowledge on asset recovery, and recommended to further pursue the collection and systematization of good practices and tools, including for enhancing early and spontaneous information exchange.

17. The Working Group also stressed the usefulness of the existing knowledge products of the StAR Initiative in building national capacity, and requested the Secretariat to prepare a list of those products and to ensure their widest possible dissemination.

18. The Working Group also welcomed the preparation and dissemination of practical guides by States on their legal frameworks, mechanisms and procedures for asset recovery as a useful tool for requesting States.

19. In its resolution 5/3 the Conference encouraged States parties to share approaches and practical experience for the return of assets consistent with article 57 of the Convention, for further dissemination through the Secretariat.

20. In the same resolution the Conference called upon requesting and requested States with practical experience in asset recovery to develop, as appropriate, in cooperation with interested States and providers of technical assistance, non-binding practical guidelines, such as a step-by-step guide, for efficient asset recovery, being mindful to seek to add value by building upon existing work in this area.

21. In its resolutions 6/2 and 6/3 the Conference encouraged States parties to consider, where appropriate and in accordance with national law, the possibility of referring to the draft Lausanne guidelines for the efficient recovery of stolen assets in their practice and to continue to exchange their practical experiences and consolidate them into a non-binding, step-by-step guide or asset recovery manual, in cooperation with interested States and providers of technical assistance, upon the request of the relevant interested parties.

Action Taken

22. The UNCAC Legal Library is part of the web-based platform known as “Tools and Resources for Anti-Corruption Knowledge” (TRACK), which was launched by UNODC on 1 September 2011.² The Legal Library is an electronic repository of legislation, jurisprudence, anti-corruption strategies and institutional data from 176 States. Developed and administered by UNODC and supported by the StAR Initiative and partner organizations, the UNCAC Legal Library collects and disseminates indexed and searchable legal information according to each provision of the Convention. Legal data received in the context of the Implementation Review Mechanism and validated by States parties under review, including judicial decisions rendered in asset recovery cases, is also being used to continuously update the information contained in the UNCAC Legal Library.

23. At the request of the Working Group, a special section of TRACK is dedicated to asset recovery.³ This section combines in one place all relevant information and links to data available to asset recovery, i.e., the legislation of 176 countries relevant to chapter V of the Convention; the Asset Recovery Watch, a database developed by the StAR Initiative with information on 233 past and current asset recovery cases involving corruption; the knowledge products published by the StAR Initiative; the Puppet Masters Database of Grand Corruption Cases, which is a compilation of large-scale corruption cases involving the misuse of legal structures to conceal the origin and ownership of stolen assets, launched in October 2011; a database on settlements in cases of transnational bribery, containing 532 settlements; as well as the Country Guides for Asset Recovery that were prepared as part of the Deauville Partnership with Arab Countries in Transition Action Plan on Asset Recovery (the Deauville Action Plan) and other country-specific guides (see below), and the Step-by-Step Guides on Requesting Mutual Legal Assistance in Criminal Matters developed by G-20 countries.

24. In addition to the information available through TRACK, a number of policy studies addressing knowledge gaps in specific areas of asset recovery have been produced through the StAR Initiative. The process of translating these studies into all official languages of the United Nations is ongoing.⁴

25. The 9th Practitioners’ Workshop on the Return of Illicit Assets of Politically Exposed Persons was held from 21 to 23 February 2016 in Lausanne, Switzerland by the Swiss Federal Department of Foreign Affairs’ Directorate for Public International Law (FDFA/DIL) in close cooperation with the International Centre for Asset Recovery (ICAR) of the Basel Institute on Governance and with the support of StAR. The first Lausanne seminars led to the development of the “Guidelines for the Efficient Recovery of Stolen Assets” (the Guidelines). The main goal of the Lausanne IX seminar was to develop a (step-by-step) guide to support the practical application and implementation of the Guidelines. Lausanne IX put its focus on the pre-investigation phase (intelligence gathering and government freezing/sanctions) and the international cooperation through mutual legal assistance phase. StAR team members served as facilitators for the workshop. In

² TRACK is available at www.track.unodc.org.

³ www.track.unodc.org/assetrecovery/Pages/home.aspx.

⁴ For a list of available materials and tools developed by the StAR Initiative visit <http://star.worldbank.org/star/>.

Lausanne X (to be held in 2017), the remainder of the Guidelines will be discussed, with the intention of completion of the step-by-step guide prior to the Seventh Conference of the States Parties in 2017.

2. Mutual Legal Assistance Request Writer Tool and similar products

26. The Working Group stressed the importance of modern information technology in developing cumulative knowledge, and requested the Secretariat to continue its work to expand the Mutual Legal Assistance Request Writer (MLA) Tool and to develop similar products.

Action taken

27. The Secretariat continued its work on the redevelopment of the MLA Tool in an effort to make it more user-friendly, expand its functionality, and integrate asset recovery features and a digital evidence module. The Beta version of the MLA Tool supports a wide range of platforms and has a new, modern user interface. The Tool will also import information from the Directory of Competent National Authorities. The Secretariat organized two informal expert group meetings in 2015 to revise the UNODC Mutual Legal Assistance Request Writer Tool (13-14 May and 22-23 October 2015, respectively). The purpose of the meetings was to shape the framework for the redevelopment of the tool to include additional features on asset recovery, digital evidence and specific forms of international cooperation in criminal matters. After the finalization of the redeveloped content and structure of the tool, a pilot phase to test its use in practice was launched in July 2016 (with an initial focus on four countries in Eastern Africa: Ethiopia, Uganda, Kenya and the United Republic of Tanzania).

28. Modern information technology is fully incorporated by UNODC in the development of resources to support the asset recovery process. These resources include TRACK and the Legal Library, the comprehensive self-assessment checklist, the StAR Initiative's Asset Recovery Watch Database, the Puppet Masters Database of Grand Corruption Cases and the settlements database, the directories of asset recovery focal points and central authorities and the Global Focal Point Initiative supported by the International Criminal Police Organization (INTERPOL) and the StAR Initiative.

3. Consultation with and participation of experts from different regions and legal systems and wide dissemination of tools and knowledge products

29. The Working Group reiterated the need for activities aimed at developing cumulative knowledge to be carried out with broad consultation and participation of experts from different regions and legal systems.

30. It also highlighted that tools and knowledge products needed to be widely disseminated, and follow-up on their effectiveness and usefulness should be considered by the Conference or the Working Group.

Action taken

31. All tools and knowledge products developed by UNODC and the StAR Initiative are widely disseminated on the Internet or through presentation at events. TRACK, including the Legal Library, is a web-based portal to ensure broad

accessibility. From 1 June 2015 to 31 May 2016, TRACK has had 20,200 sessions and 14,044 users who recorded 56,140 page views. For the StAR Initiative website, site visits were over 224,000 from July 2015 to June 2016.

32. The StAR Initiative maintains active dissemination of knowledge products through expert group meetings, training workshops and regional conferences, as well as through press outreach and interviews, social media, blogs, and a range of advocacy activities with government departments, embassies, academic institutions, CSOs, private sector companies and others. The knowledge products are made available on the StAR Initiative and UNODC websites, and their translation into other languages is actively pursued. In 2015 the publication “*On the Take: Criminalizing Illicit Enrichment to Fight Corruption (2012)*” became available in Spanish and the publication “*Left out of the Bargain: Settlements in Foreign Bribery Cases and Implications for Asset Recovery (2013)*” became available in French. StAR’s publications were downloaded over 10,500 times during 2015.⁵

4. Close cooperation with financial institutions and financial intelligence units and greater effectiveness of financial investigations

33. At its third session, the Conference of the States Parties underlined that financial institutions should adopt and implement effective standards of due diligence and financial disclosure as previously highlighted by the Working Group, which had noted the need to increase the responsibility of financial institutions and financial intelligence units overseeing them. The Working Group recommended to include such institutions in the development of cumulative knowledge on asset recovery; it also encouraged the work on the preventive measures contained in Chapter V of the Convention and placed emphasis on effective financial investigations.

34. In its resolution 6/2 the Conference urged States parties to take measures, including measures to ensure compliance by financial and designated non-financial institutions, to identify, trace, seize, recover and return the proceeds of crime and funds of illicit origin.

Action taken

35. Under the UNODC Global Programme against Money-Laundering (GPML), UNODC mentors continued to assist Member States in building effective systems against money-laundering and the financing of terrorism, including by strengthening financial intelligence units, the analysis of financial information and the development of financial intelligence, as well as investigation of money-laundering, disruption of illicit financial flows and interdiction of cash smuggling.

36. Additionally, GPML and the StAR Initiative have close working relationships with the FATF and FATF Style Regional Bodies (FSRBs). For example, UNODC is working with the Middle East and North Africa Financial Action Task Force (MENA-FATF) on a collaborative study highlighting the links between corruption and money-laundering, with a specific focus on countries in the MENA region.

⁵ For a list of available publications developed by the StAR Initiative visit <http://star.worldbank.org/star/>.

More generally, UNODC cooperates closely with the FATF and FSRBs, by supporting typology projects and aligning technical assistance activities with those priorities which have been identified by Member States.

37. UNODC and the StAR Initiative were also active within the G-20 Anti-Corruption Working Group (see below).

5. Gathering of information on the implementation of the articles of the Convention relating to asset recovery, including through the self-assessment checklist

38. The Working Group has repeatedly invited States parties to complete the section of the self-assessment checklist on asset recovery, so as to gather information on the implementation of the provisions on asset recovery, to assess their efforts and identify further steps to implement chapter V, compile good practices and identify technical assistance needs.

39. In its resolution 6/1, the Conference requested the Secretariat, in consultation with States parties and under the guidance of the Implementation Review Group, to continue improving the comprehensive self-assessment checklist for the second cycle of the Implementation Review Mechanism, without prejudice to its comprehensiveness or the methodology applied during the first cycle, and without prejudice to the launch and commencement of the second cycle.

Action taken

40. In accordance with this mandate, the Secretariat continued to solicit input from States parties on the revised draft self-assessment checklist and presented the document to the Implementation Review Group at its seventh session (CAC/COSP/IRG/2016/4). In addition, the Secretariat prepared and disseminated a guidance document on how to fill in the revised draft self-assessment checklist (CAC/COSP/IRG/2016/CRP.1), which highlights information States may wish to share regarding their implementation of chapters II (Preventive measures) and V (Asset recovery) of the Convention.

6. Gathering of information on legal frameworks and procedures relevant to asset recovery

41. The Conference in its resolution 5/3 and the Working Group at its eighth meeting encouraged States parties to make widely available information on their legal frameworks and procedures, in a practical guide or other format designed to facilitate use by other States, and to consider, where advisable, the publication of that information in other languages.

42. In its resolution 6/3 the Conference further encouraged States parties to make widely available information on their legal frameworks and procedures, including those used in settlements and alternative legal mechanisms, in a practical guide or other format designed to facilitate use by other States, and to consider, where appropriate, the publication of that information in other languages.

Action taken

43. The Secretariat circulated on 29 August 2014 a note verbale seeking from all States parties and signatories information on their legal frameworks and procedures

relevant to asset recovery which should take the form of a practical guide. The responses received have been posted,⁶ in addition to the guides developed as part of the Deauville Action Plan, on the web page of UNODC as received.⁷

7. Gathering of information on international cooperation in civil and administrative proceedings relevant to asset recovery

44. The Conference in its resolution 5/3 requested the Secretariat to invite States parties to provide, to the extent possible, information on mutual legal assistance in civil and administrative proceedings for the identification, freezing and confiscation of assets, in accordance with articles 43, paragraph 1, and 46, paragraph 3 of the Convention. A similar mandate was contained in resolution 5/1, entitled “Enhancing the effectiveness of law enforcement cooperation in the detection of corruption offences in the framework of the United Nations Convention against Corruption”.

45. The Conference in its resolution 6/4 entitled “Enhancing the use of civil and administrative proceedings against corruption, including through international cooperation in the framework of the United Nations Convention against Corruption” invited Member States to continue to provide to the Secretariat information on civil and administrative proceedings relating to corruption, when feasible and on a voluntary basis, in order to identify the scope of assistance that could be provided in relation to such proceedings, as well as to provide information about good practices and tools relevant to the implementation of article 53 of the Convention and requested the Secretariat to continue collecting and disseminating such information by, inter alia, reporting to the Conference and its relevant subsidiary bodies, including by providing suggestions regarding technical assistance needs and mechanisms to provide such assistance, and developing a study to identify best practices and ways to facilitate cooperation on the matter, subject to the availability of resources.

46. The Working Group further recommended that further information should be collected regarding such cooperation in order to identify the scope of assistance that could be provided in relation to such proceedings.

Action taken

47. The Secretariat circulated on 21 March 2014 a note verbale seeking the provision of such information from all States parties and signatories. A report on the information received was submitted to the 3rd meeting of the Open-ended intergovernmental expert meetings to enhance international cooperation under UNCAC, held in Vienna on 9 and 10 October 2014.⁸

48. On 3 July 2015 the Secretariat circulated a note verbale seeking from all States parties and signatories to the Convention that have not yet responded to provide information and updates on information already provided. A note on international cooperation in civil and administrative proceedings for the detection of offences established in accordance with the United Nations Convention against Corruption

⁶ The responses from El Salvador, Lebanon, Mauritius, Mexico and Myanmar were posted as of 16 June 2016.

⁷ <https://track.unodc.org/assetrecovery/Pages/CountryGuides.aspx>.

⁸ CAC/COSP/EG.1/2014/2 available at www.unodc.org/unodc/en/treaties/CAC/em-international-cooperation-session3.html.

was presented to the 4th Open-ended intergovernmental expert meeting to enhance international cooperation under UNCAC held in Saint Petersburg, Russian Federation on 2 and 3 November 2015.⁹

8. Gathering of information on States' practical experience in the management, use and disposal of frozen, seized and confiscated assets and on best practices in addressing the administration of seized assets

49. The Conference in its resolution 5/3 encouraged States parties and UNODC to share experiences on the management, use and disposal of frozen, seized and confiscated assets, and to identify best practices as necessary, building upon existing resources that address the administration of seized assets and to consider developing non-binding guidelines on this issue.

50. In its resolution 6/3 the Conference encouraged States parties and UNODC to continue sharing experiences and building knowledge on the management, use and disposal of frozen, seized, confiscated and recovered assets, and to identify good practices as necessary, building upon existing resources that address the administration of seized and confiscated assets, including with a view to contributing to sustainable development.

Action taken

51. UNODC conducted an international expert group meeting in September 2015 in Vienna specifically focusing on the domestic management, use and disposal of seized and confiscated assets. Based on the outcome of this meeting, UNODC is currently in the process of preparing a compilation of national experiences and good practices in this field aimed to help those directly tasked with developing policy frameworks as well as the management of such assets in learning from these experiences and avoiding and/or managing some of the risks and liabilities involved.

52. As mentioned above, target 16.4 of the 2030 Agenda for Sustainable Development, adopted in resolution 70/1 of the General Assembly, aims, inter alia, at strengthening the recovery and return of stolen assets. Further, General Assembly resolution 69/313 endorsed Addis Ababa Action Agenda of the Third International Conference on Financing for Development that, inter alia, encouraged the international community to develop good practices on asset return and supported the Stolen Asset Recovery Initiative of the United Nations and the World Bank and other international initiatives that support the recovery of stolen assets. In response, as well as, in execution of the respective mandates given to UNODC by the Conference, UNODC intends to organize an international expert group meeting to share experiences and possibly identify good practices in stolen asset return and disposal in the fourth quarter of 2016 in Addis Ababa with the support of the Swiss Government. The aim of the event will be to create a platform for countries, which have cooperated in the past in the recovery and return of assets, and to share their knowledge and experience with interested States. The workshop will bring together diverse communities of practitioners, including asset recovery experts, public finance managers who played a role in the return, management and disposal of

⁹ CAC/COSP/EG.1/2015/2, available at www.unodc.org/unodc/en/treaties/CAC/em-international-cooperation.html.

assets, as well as development practitioners and recipients who participated in the implementation of programmes and projects funded with returned assets. This event will also constitute a first step in following up on the conclusions of the 2016 United Kingdom Anti-Corruption Summit (see below).¹⁰

9. Gathering of information on States' best practices for identifying victims of corruption and parameters of compensation

53. In its resolution 6/2 the Conference directed the Working Group to initiate the process for identifying victims of corruption and the parameters for compensation.

Action taken

In carrying out this mandate the Secretariat prepared for the attention of the Working Group a note on the compensation of victims of corruption (article 35 of the United Nations Convention against Corruption) that analyses the observations with regard to article 35 of the Convention based on the completed country reviews.¹¹

10. Gathering of information on States' use of settlements and other alternative mechanisms

54. In its resolution 6/2 the Conference directed the Working Group to collect information, with the support of the Secretariat, regarding State parties' use of settlements and other alternative mechanisms and analyse the factors that influence the differences between the amounts realized in settlements and other alternative legal mechanisms and the amounts returned to affected States, with a view to considering the feasibility of developing guidelines to facilitate a more coordinated and transparent approach for cooperation among affected States parties and effective return.

Action taken

55. In execution of this mandate the Secretariat prepared for the attention of the Working Group a note on settlements and other alternative mechanisms and their implications for the recovery and return of stolen assets.¹²

56. The note was prepared based on the study published in 2013 by the StAR Initiative entitled "*Left Out of the Bargain: Settlements in Foreign Bribery Cases and Implications for Asset Recovery*" that was aimed at providing policymakers, practitioners, and others interested parties with greater understanding of the nature of settlements and, in particular, their implications for asset recovery.

¹⁰ United Kingdom Anti-Corruption Summit Communiqué (para. 19) available at www.gov.uk/government/uploads/system/uploads/attachment_data/file/522791/FINAL_-_AC_Summit_Communique_-_May_2016.pdf.

¹¹ CAC/COSP/WG.2/2016/CRP.1.

¹² CAC/COSP/WG.2/2016/2.

B. Building confidence and trust between requesting and requested States

1. Central authorities, asset recovery focal points and networks

57. The Working Group has requested the Secretariat to invite those Member States that have not done so to designate a central authority for mutual legal assistance. The Conference made a request to all States parties along the same lines.

58. The Conference has requested the Working Group to continue considering the issue of establishing a global network of asset recovery focal points as a network of practitioners, without duplicating existing networks, to facilitate more effective cooperation. The Working Group has underlined the need for a global network of focal points on asset confiscation and recovery with technical expertise, and has emphasized the need for collaboration and coordination between regional networks.

59. The Conference, in its resolution 6/3, encouraged States parties to apply lessons learned in all areas of asset recovery cooperation through, inter alia, enhancing international cooperation, including through participation in international law enforcement networks, such as the asset recovery focal points under the Convention, the Global Focal Point Initiative, supported by the International Criminal Police Organization and the Stolen Asset Recovery Initiative, and the Camden Asset Recovery Inter-agency Network, and regional initiatives such as the Arab Forum on Asset Recovery.

60. The Working Group has also recommended that UNODC explore how the database of asset recovery focal points could be amended, with a view to making it possible to ascertain the contact details of persons in other jurisdictions.

Action taken

61. As of 13 June 2016, 123 States parties had notified the Secretariat of their designated central authorities.

62. As of 13 June 2016, 80 States had notified the Secretariat of their designated focal points asset recovery focal points in accordance with the recommendations of the Working Group and the Conference. The online directory of designated central authorities and asset recovery focal points is available at www.unodc.org/compauth_uncac/en/index.html.

63. Further to recommendations of the Conference of the Parties to the United Nations Convention on Transnational Organized Crime's Working Group on International Cooperation, made at its sixth session held in Vienna from 27 to 28 October 2015, the directory is being redeveloped to include two separate parts: part I containing information on central authorities designated under various treaty provisions related to mutual legal assistance; and part II containing information on other competent authorities and/or executing authorities, as appropriate, and on channels and information for informal cooperation. Upon completion of this process, UNODC will integrate the directory into it into the knowledge management portal known as Sharing Electronic Resources and Laws against Organized Crime (SHERLOC).

64. The Global Focal Point Initiative supported by INTERPOL and the StAR Initiative was launched in January 2009. Its objective is to support the investigation and prosecution of corruption and economic crime through international cooperation and informal assistance (assistance given prior and subsequent to the submission of formal requests for mutual legal assistance) for the purpose of identifying, tracing, freezing and ultimately recovering the proceeds of corruption and economic crime. Focal points can exchange information and technical knowledge on corruption and asset recovery through the secure communication system I-SECOM, which is connected to the INTERPOL I-24/7 secure communication network. Currently, 215 dedicated focal points representing 115 countries are participating in the platform. The sixth annual general meeting of the Initiative was held in New Delhi on 17-19 November 2015. During this meeting, training was carried out on the use of the platform, while other sessions presented information on the new “Silver” INTERPOL notice to trace and recover assets from criminal activities, as well as goTrace tool developed by UNODC in early 2015 for the secure exchange of information between law enforcement agencies.¹³ On the margins of the conference, 18 bilateral meetings were facilitated by the StAR Initiative, mostly for the purpose of case consultations, but also coordination on other initiatives with its partners.

65. UNODC and the StAR Initiative continued their support for the strengthening of regional networks engaged in asset recovery and confiscation. During the reporting period the following meetings were carried out with the support of UNODC and the StAR Initiative:

(a) The Asset Recovery Network of GAFILAT (Red de Recuperación de Activos de GAFILAT, RRAG), composed of 16 countries, held a meeting focusing on the exchange of national experiences in asset recovery, patrimonial investigation and international cooperation issues in Chile from 26 to 29 October 2015. The StAR Initiative presented to the meeting recommendations on how to structure an effective strategy on international cooperation for asset recovery;

(b) The Asset Recovery Inter-Agency Network for Eastern Africa (ARINEA), composed of eight countries, held a meeting from 1 to 4 December 2015 in Nairobi, Kenya, and StAR facilitated the training for the ARINEA Network Focal Points in the region on issues related to beneficial ownership and asset tracing. Member countries of the ARINEA network were conducted bilateral meetings on the margins of the meeting.

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

66. 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 and the International Association of Anti-Corruption Authorities should be explored.

67. The Conference, in its resolution 6/3, 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

¹³ For more information on goTrace visit <http://gotrace.unodc.org/>.

Focal Point Initiative, supported by INTERPOL and the Stolen Asset Recovery 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.

Action taken

68. UNODC works closely with and supports the activities of the International Association of Anti-Corruption Authorities (IAACA) and participates in its Executive Committee. The Eighth Annual Conference and General Meeting of the Association were held back-to-back with the sixth session of the Conference in St. Petersburg in November 2015.

69. 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 of exchange of information on countering money-laundering and the financing of terrorism.

3. Cooperation with the private sector

70. The Working Group has recommended that the Secretariat continue to promote partnerships with the private sector, in particular with financial institutions, in order to assist them in complying with their obligations under the Convention and to facilitate asset recovery. The Working Group has encouraged States parties to support the efforts of the Secretariat, inter alia, by developing partnerships at the national level.

Action taken

71. UNODC has continued its active cooperation with the private sector on a wide range of anti-corruption matters, including in the context of its cooperation with OECD, the Global Compact, the World Economic Forum, and its projects under the Siemens Integrity Initiative.

4. Promoting dialogue and removing barriers to asset recovery

72. 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 G-20.

73. The Conference, in its resolution 5/3, called upon States parties to give particular and timely consideration to the execution of international mutual legal assistance requests that need urgent action, including those related to the States concerned in the Middle East and North Africa, as well as other requesting States.

74. The Conference, in its resolution 6/3, called upon States parties to give particular and timely consideration to the execution of requests for mutual legal assistance in asset recovery, and encouraged States parties to remove barriers to asset recovery, including by simplifying legal procedures, while preventing their abuse.

75. The Working Group has recommended exploring the feasibility of adopting a help desk approach to asset recovery to give advice during the initial stages of a case in an informal manner and to refer requesters to counterparts who would be able to provide further assistance.

Action taken

76. UNODC including through the StAR Initiative actively engage in advocacy in a number of international forums to strengthen political will, including the Anti-Corruption and Transparency Working Group of the Asia-Pacific Economic Cooperation Forum (APEC), INTERPOL, the European Union and Eurojust, the Group of Seven (G-7), the Group of Twenty (G-20) Anti-Corruption Working Group and the World Economic Forum, in particular its Partnering against Corruption Initiative (PACI).

77. UNODC continued to raise awareness about the importance of the ratification and full implementation of the Convention, as well as on asset recovery, as observers at the meetings of the G-20 Anti-Corruption Working Group. UNODC supported the implementation of the 2015-2016 G-20 Anti-Corruption Action Plan and participated in the elaboration of the Anti-Corruption Action Plan 2016-17. Moreover, UNODC actively contributed to the development of the G-20 High-Level Principles on Cooperation on Persons Sought for Corruption and Asset Recovery and provided input to the discussions on the Research Center on International Cooperation Regarding Persons Sought for Corruption and Asset Recovery in G-20 Member States.

78. Through the World Bank's observer status, the StAR initiative has continued its close working relationship with the FATF, participating in its meetings held three times a year. The StAR Initiative is active within relevant working groups, in particular the Policy Development Group.

79. StAR participated in the Sixth Global Conference of Parliamentarians against Corruption (GOPAC) in Yogyakarta, Indonesia from 5-8 October 2015. GOPAC members adopted the Yogyakarta Declaration which calls for stronger measures to bring perpetrators of grand corruption to justice, endorses "the use of legal actions to pursue perpetrators of grand corruption and stress the need to strengthen international cooperation in facilitating the return of stolen assets to those harmed by corruption" and encourages "countries to enact appropriate legislation and collaborate internationally for rapid response to freezing stolen assets".

80. The fourth session of the Arab Forum on Asset Recovery (AFAR IV) was held in Tunis, Tunisia on 8-10 December 2016. The Forum was co-chaired by Germany, Qatar, and Tunisia, and organized by StAR with support from Japan, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America. The title of the gathering was "Searching for Results in Asset Recovery", and it brought together more than 190 officials from over 30 jurisdictions including requesting countries, financial centres, and international organizations. The Forum involved separate work streams — one aimed at policymakers and one for asset recovery practitioners. It also involved sessions assessing the progress and challenges of asset recovery in the region, and StAR facilitated over 40 bilateral meetings which helped identify concrete actions necessary to advance asset recovery efforts in specific cases.

81. StAR participated in other relevant meetings in the reporting period. StAR attended the Regional Meeting of the Oversight Bodies for Asset Disclosure and Conflict of Interest (RAI) in Zagreb from 14 to 17 December 2015. The RAI is an intergovernmental regional organization, which deals with anti-corruption issues in its nine member States. Participants agreed to develop an international legal instrument establishing a regional mechanism for data exchange in asset disclosure and conflict of interest and requested the StAR to provide technical advice in the process and for follow-up meetings. StAR participated in two workshops focused on strengthening cross-border communication and cooperation in MLA and extradition in East Asia and the Pacific: the Third Senior Officials Workshop on Mutual Legal Assistance and Extradition in East Asia and the Pacific was held on 1-2 October 2015 in Bangkok and the Workshop on Extradition and MLA in Asia and the Pacific organized by the Ministry of Justice of the Republic of Korea (KMOJ) was held in Seoul on 7-8 December 2015. In both workshops StAR presented on MLA in the asset recovery process, MLA-related challenges in asset recovery and solutions.

82. UNODC, including through the StAR Initiative, contributed to preparations of the United Kingdom Anti-Corruption Summit held on 12 May 2016. The Summit communiqué pointed to the need for strong political commitment and practitioner interaction, and noted that resolving complex asset recovery cases was assisted by partnership and cooperation between requesting and requested States. The communiqué encouraged countries to support the efforts of the World Bank and UNODC to strengthen StAR in support of countries' efforts to recover and return stolen assets. In addition, the communiqué called for the convening of a Global Forum on Asset Recovery (GFAR) to be held in 2017, hosted by the United States and the United Kingdom with support from StAR. The core objective of GFAR is to provide an effective opportunity for States to carry out such partnership and cooperation on their asset recovery cases. Four focus countries were identified for particular attention at this Forum: Nigeria, Sri Lanka, Tunisia and Ukraine. The StAR Initiative was to support the organization of GFAR and to work closely with the focus countries and other partner countries to prepare asset recovery cases for consultation. The United Kingdom Anti-Corruption Summit also recommended the establishment of an International Anti-Corruption Coordination Centre that will seek to provide countries with timely support for the recovery of stolen assets.

C. Technical assistance, training and capacity-building

83. The Working Group has highlighted 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. The Working Group has also emphasized the importance of strengthening the capacity of legislators, law enforcement officials, judges and prosecutors on relevant matters and has stressed the need for specialized training and capacity-building activities, and importance to grant sufficient resources to UNODC and other relevant assistance providers. 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.

84. The Working Group has recommended that UNODC seek to forge more partnerships and coordinate additional technical assistance activities in matters related to asset recovery with other relevant organizations and bodies and has 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.

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

86. In its resolution 6/3, the Conference urged States parties to ensure that they have 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 are suitable mechanisms in place to recover through confiscation the identified 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 are enforced, and encouraged technical assistance in this regard.

Action taken

87. UNODC, including through the StAR Initiative, continued to provide demand-driven, country-specific assistance to States in their asset recovery efforts.¹⁴ In the reporting period, 22 countries, one asset recovery forum and two regional networks were receiving such assistance through the StAR Initiative, and new requests were received from six countries. In addition StAR worked with a number of other jurisdictions at regional and/or international organizations in areas such as, capacity-building and technical assistance. Country engagements constituted the majority of StAR's activities.

88. Country engagements are designed as multi-year programmes and cover a range of diverse activities including tactical analysis and establishment of asset recovery strategies, financial investigation techniques, asset disclosure, forensic audit preparatory to cases, case management advice and the facilitation of contacts with other jurisdictions. Such assistance entails both generic capacity-building activities as well as targeted, case-related engagements. StAR methodologies include more traditional training workshops as well as the placement of mentors, and the practical facilitation of coordination and cooperation both domestically and internationally. What follows provides an example of country engagement work.

89. In Tanzania, StAR has been providing assistance to the Asset Forfeiture and Recovery Section in the Directorate of Public Prosecutions (AFRS) since 2012, including through training in financial investigations, asset-tracing and other tools for prosecutors and investigators as well as members of the judiciary likely to hear

¹⁴ The country engagements referred to in this section of the document are examples, bearing in mind the confidential nature of certain country assistance engagements.

asset recovery related cases. With StAR assistance, the AFRS developed a strategic plan and received mentoring services by StAR over a period of 18 months ending in early 2016. As a result, the AFRS was able to successfully initiate more than 30 proceedings leading to the freezing of assets worth approximately US\$ 5 million.

90. In November 2015, StAR provided training to El Salvador's prosecutors, investigators and judges on the use of Non-Conviction Based (NCB) Forfeiture. The training involved both theoretical and practical components, and was — unusually — an inter-institutional exercise for prosecutors, investigators and judges, in which they interacted with each other and exchanged knowledge particularly on the NCB Asset Forfeiture process. An analysis of the results of the training demonstrated the need to strengthen asset recovery knowledge. At request of the Director of the Costa Rican Drug Institute (ICD), StAR team provided a legal advice in support of drafting a law on Extincion de Dominio (Forfeiture Act) for members of the parliament. This included two documents, a Technical Concept Note about key subjects of forfeiture and another document with comments on the draft law being discussed at the legislative assembly. The legal advice was sent to Costa Rica in February 2016. StAR provided technical advice for a project proposal of strengthening capacity of asset management in the non-conviction-based forfeiture through an IT platform named Integrated Information System for General Attorney's Office of Colombia which started in January 2016.

91. In August 2015, Somalia endorsed a new asset recovery strategy based upon advice by StAR. It also appointed key personnel from the National Asset Recovery Team and the Central Bank of Somalia to work with StAR on future possible cases.

92. StAR carried out a training course on open source investigations for government officials in the Plurinational State of Bolivia in December 2015. As a direct result participants discovered indications of stolen assets. StAR is organizing a follow-up course to pursue these findings. During the same period StAR provided comments on a guide on mutual legal assistance in the Plurinational State of Bolivia.

93. In May 2016, using a training package developed in 2013/2014, StAR delivered participatory trainings to 26 judges and magistrates in Kenya and 32 judges, magistrates and prosecutors in Tanzania to apply domestic asset recovery legislation through a case simulation which included drafting decisions addressing all aspects of legislation on freezing of assets at initial stages, followed by civil forfeiture/confiscation of criminal proceeds after conviction.

94. In Sri Lanka StAR started providing case-related support in April 2016 and is designing a training programme on financial investigations, with a first phase of training to be held in June 2016. As part of a longer-term project, and in accordance with a domestic prioritization plan, StAR has been providing capacity-building to strengthen the legal, institutional and operational environment aimed at facilitating the tracing, seizing, confiscating and return of stolen assets in Botswana. In February 2016 StAR also facilitated a national dialogue and provided advisory services around the implementation of Botswana's new asset recovery legislation, the Proceeds and Instruments of Crime Act 2014 (PICA). StAR also continued its support to Ukrainian authorities in the area of asset recovery looking to identify a strategy that can be implemented by the Ukrainian authorities which will enable key transactions to be further examined and as appropriate, action taken to recover

stolen assets. In developing this strategy, the StAR team will also look to facilitate meetings with other key parties that may be able provide assistance to the Ukrainian authorities. This will include the law enforcement agencies representatives from overseas jurisdictions currently working in Ukraine, as well as other local offices.

95. StAR continued its work on reforming asset disclosure system provided an analysis of the new draft legislation on asset declarations. A StAR mission in April provided support to the reform of the legal framework on asset declaration and the development of the “e-Integrity” information system (e-Integrity) in Moldova and will continue supporting the effective launch of “e-Integrity” and smooth transition to electronic filing for filers. Similarly, In the context of the StAR Initiative’s engagement with the Inspectorate General of Government (IG) of Uganda for the development and launch of an Online Asset Declaration System (ODS) in January 2016 StAR provided advisory services and support to training of trainers (ToT) on the use of ODS to regional IG officials. In May 2016, In the Plurinational State of Bolivia, as the Comptroller-General’s Office is currently revising the entire asset declaration system, in May 2016 StAR organized a multiagency workshop on various aspects of asset declarations in order to enable any suggestions to be included in the ongoing revision.

96. In addition, in the area of legislative assistance, UNODC has continued to work with States to assess their implementation of the provisions of chapter V of the Convention. In addition, UNODC and the StAR Initiative have responded to several other requests from States with respect to conducting desk reviews of legislation or assisting in drafting legislation.

D. Reporting and follow-up

97. The Working Group may wish to provide further guidance on the implementation of resolution 6/2 of the Conference of the States Parties, in particular with a view to initiate the process of identifying victims of corruption and the parameters of compensation; facilitating the development of guidelines for proactive and timely sharing of information to enable States parties to take appropriate action, in accordance with article 56 of the Convention; and the collecting of information regarding State parties’ use of settlements and other alternative mechanisms and analysing the factors that influence the differences between the amounts realized in settlements and other alternative legal mechanisms and the amounts returned to affected States, with a view to considering the feasibility of developing guidelines to facilitate a more coordinated and transparent approach for cooperation among affected States parties and effective return.

98. The Working Group may wish to provide further guidance on the implementation of resolution 6/3 of the Conference of the States Parties, in particular with a view to facilitating of sharing reliable information on beneficial ownership of companies, legal structures or other complex legal mechanisms, including trusts and holdings, misused to commit or conceal crimes of corruption or to hide and transfer proceeds, thus facilitating the investigation process and execution of requests; making widely available information on States parties legal framework and procedures, including those used in settlements and alternative legal mechanisms in a practical guide or other format; and continuing sharing experiences

and building knowledge on the management, use and disposal of frozen, seized, confiscated and recovered assets, and identification of good practices as necessary, building upon existing resources that address the administration of seized and confiscated assets, including with a view to contributing to sustainable development.

99. The Working Group may wish to provide further guidance on steps that could be taken to encourage States to build trust and confidence, and to remove barriers to asset recovery.

100. The Working Group may wish to call upon States to support efforts by UNODC and the StAR Initiative to assist States in their asset recovery efforts, including with a view to the organization of the Global Forum on Asset Recovery in 2017.

101. The Working Group may consider adopting a work plan for its future sessions to ensure the effective implementation of relevant mandates of the Conference.
