



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

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Asset recovery

Progress on the implementation of the activities 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 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 tasked the Working Group with, 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. At its second to seventh sessions, the Conference decided to continue the work of the Working Group. The Working Group held its first to thirteenth meetings annually in Vienna, from 2007 to 2019.
4. The present note has been prepared to inform the Conference at its eighth session about the status of implementation of the mandate of the Working Group. It is aimed at assisting the Conference in its deliberations and in determining guidance and future activities for the Working Group.

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

5. Previous meetings of the Working Group have focused on three main themes: (a) developing cumulative knowledge; (b) building confidence and trust between

* [CAC/COSP/2019/1](#).



requesting and requested States; and (c) technical assistance, training and capacity-building.

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

7. 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.

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

9. The Working Group repeatedly emphasized its role in contributing knowledge and expertise for the outcomes of the reviews relating to the asset recovery chapter in the second cycle of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption.

10. The Working Group has repeatedly noted the need to strengthen coordination between various initiatives in asset recovery. In that 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 has been noted.

A. Developing cumulative knowledge

1. Tools for gathering and sharing information

11. The Working Group has consistently given high priority to the availability, creation and management of knowledge on asset recovery. The Group highlighted that tools and knowledge products needed to be widely disseminated, and that follow-up on their effectiveness and usefulness should be considered by the Conference or the Working Group.

12. The Working Group has commended in particular the progress made by the Secretariat on the United Nations Convention against Corruption legal library and the Tools and Resources for Anti-Corruption Knowledge (TRACK) comprehensive portal developed by UNODC.¹

13. The Working Group 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.

14. In its resolution 7/1, the Conference called upon States parties to continue their efforts to develop good practices on asset recovery, which contributed to the achievement of the Sustainable Development Goals, and encouraged UNODC to identify good practices and challenges in asset recovery.

15. In the same resolution, the Conference requested the Secretariat, in consultation with States parties, to continue to collect information on the legal frameworks, legal procedures and judicial actions taken by States parties to recover proceeds of crime derived from corruption under the Convention. In this respect, the information gathered during the first and second cycles of the Implementation Review Mechanism, as well as information generated in panel discussions and studies, should be taken into account.

¹ Available at www.track.unodc.org.

Action taken

16. The legal library, part of the TRACK web-based platform launched by UNODC on 1 September 2011, contains laws, jurisprudence and information on anti-corruption authorities from more than 180 jurisdictions worldwide. Developed and administered by UNODC and supported by the StAR Initiative and partner organizations, the 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 are used to update the information contained in the legal library. UNODC is in the process of redesigning the legal library in terms of its content and search functions.

17. At the request of the Working Group, a special section of the TRACK portal is dedicated to asset recovery. That section combines in one place all relevant information and links to data available on asset recovery, that is, the legislation of States relevant to chapter V of the Convention.

18. The StAR Initiative publishes reports or studies that address knowledge gaps or current trends in specific areas of asset recovery, such as, in September 2018, *Financial Intelligence Units Working with Law Enforcement Authorities and Prosecutors*, which was based on a joint study by the StAR Initiative, the UNODC Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism and the Egmont Group of Financial Intelligence Units. The publication supports the implementation of the international standards for combating money-laundering and the financing of terrorism, as promulgated by the Financial Action Task Force and other international organizations, and contains examples of good practices in the area of cooperation among financial intelligence units and law enforcement agencies.

19. In January 2019, the StAR Initiative published “International partnerships on asset recovery: overview and global directory of networks”, a resource to help asset recovery specialists to identify and gain access to the appropriate networks and facilitate international cooperation in the forfeiture of criminal proceeds. It includes a global directory that lists asset recovery networks, along with information about their membership, their organizational structure and how to contact them.

20. The publications by the StAR Initiative entitled *Public Wrongs, Private Actions: Civil Lawsuits to Recover Stolen Assets* and *Getting the Full Picture on Public Officials: A How-To Guide for Effective Financial Disclosure* were translated into French. A new publication on using insolvency measures to recover proceeds of corruption is also forthcoming, and the Initiative is working on a new publication dedicated to the enforcement of foreign confiscation orders.

21. In July 2019, the StAR Initiative published a new report, entitled “E-filing asset declarations: benefits and challenges”, a resource for policymakers and practitioners considering the transition to the electronic filing of asset declarations. The study shows that the benefits of e-filing outweigh implementation challenges.

22. On the margins of the thirteenth meeting of the Working Group, in May 2019, the StAR Initiative held a side event to discuss data collection and the launch of a new study on progress in international asset recovery efforts in corruption cases. There is a substantial demand for new data on corruption-related asset recoveries and returns. No comparative data on international returns of proceeds of corruption have been made available since 2012, and this information has never been systematically collected at the global level.

23. The Asset Recovery Watch database of the StAR Initiative, launched in 2011, remains the only systematic attempt to track efforts by prosecution authorities worldwide to go after assets that stem from corruption. The database contains 245 entries that detail cases involving more than 50 requesting and 40 requested jurisdictions. The database is updated periodically and currently contains

documentation on stolen funds worth approximately \$8.2 billion that have been frozen, adjudicated or returned to affected countries since 1980.

24. There are other asset recovery tools available online, such as resources related to the Global Forum on Asset Recovery, including a comprehensive meeting report, a communiqué and the Global Forum principles, and country-specific asset recovery guides that describe tools and procedures for asset recovery measures applicable within a given country, most of which were prepared as part of the Action Plan on Asset Recovery of the Deauville Partnership with Arab Countries in Transition.

25. UNODC has continued to raise awareness about the Mutual Legal Assistance Request Writer Tool and facilitated its further dissemination and wider use through presentations in various training activities and workshops. In its redeveloped form, the tool integrates features on asset recovery and additional forms and means of international cooperation in criminal matters, including the transfer of criminal proceedings, videoconferencing and, to the extent applicable, joint investigations and international cooperation to conduct controlled deliveries. UNODC is currently working on making the tool available to practitioners as a simple, stand-alone HTML-based application capable of running on all types of devices, including tablets and mobile phones. The tool can be downloaded free of charge from the UNODC website. It will be made gradually available in the six official languages of the United Nations.

26. The StAR Initiative has been assisting national authorities in creating country-specific guides on beneficial ownership to help foreign investigators or other interested parties looking for information on the identity of the beneficial owners of entities incorporated under the laws of that country. That initiative was launched during the third Arab Forum on Asset Recovery, in 2014, and was continued as part of the work of the Group of 20 Anti-Corruption Working Group in 2016 and of the Global Forum on Asset Recovery in 2017. There are currently 24 such guides available on the Initiative website. In 2017 and 2018, new or updated guides were published for Brazil, India, Italy, Latvia, Liechtenstein, Nigeria, Switzerland, Ukraine and the United Kingdom of Great Britain and Northern Ireland.

27. All tools and knowledge products developed by UNODC and the StAR Initiative are available on the Internet free of charge. Efforts are made to disseminate knowledge products in various forums, including expert group meetings, training workshops and regional conferences. The Initiative launched a quarterly newsletter² in April 2018 to provide information on its activities and latest knowledge products, as well as to highlight thematic areas of interest and upcoming events.

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

28. At its third session, the Conference 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 the financial intelligence units overseeing them. The Working Group also recommended including such institutions in the development of cumulative knowledge on asset recovery. It encouraged the work on the preventive measures contained in chapter V of the Convention and placed emphasis on effective financial investigations.

29. In its resolution 7/1, the Conference called upon States parties to take measures to identify, trace, seize, recover and return proceeds of crime derived from corruption, including by enhancing compliance by banks and designated non-bank financial institutions.

² Available at <https://star.worldbank.org/content/star-quarterly>.

Action taken

30. Under its Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism, UNODC mentors and experts have 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 the investigation of money-laundering, the disruption of illicit financial flows, the interdiction of cash smuggling and the investigation of cryptocurrencies.

31. In addition, cooperation with the Financial Action Task Force and Financial Action Task Force-style regional bodies has continued. UNODC, as an observer to the Global Network Coordination Group of the Task Force, provided feedback at the meetings held in February, June and October 2018 on its technical assistance and training activities. These activities are carried out in accordance with General Assembly resolution 73/186, in which the Assembly urged UNODC to continue to provide, within its mandate, technical assistance to Member States, upon their request, to combat money-laundering and the financing of terrorism.

32. UNODC continued to assist Member States in implementing the Sustainable Development Goals, specifically target 16.4, by which Member States are called upon to significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime by 2030.

33. UNODC also supported a number of regional asset recovery networks. The Global Programme against Money-Laundering has been holding regular meetings of operational experts to exchange information on large criminal financial networks capable of moving billions of dollars in proceeds of crime. Activities to enhance the skills of financial investigators continued to be conducted under the train-the-trainers financial investigations project undertaken jointly with the European Union Agency for Law Enforcement Training to develop anti-money-laundering capacities in the western Balkans and the train-the-trainers financial investigations project in West Africa.

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

34. 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”, the Conference 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.

35. In its resolution 7/1, the Conference requested the Secretariat to continue, within existing resources, to collect statistics or other relevant information on the use of the Convention as a legal basis for mutual legal assistance, unless a bilateral and regional arrangement applied, and, where appropriate and consistent with domestic legal systems, in relation to civil and administrative proceedings and asset recovery, and to make the information available to the Conference.

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

Action taken

37. In accordance with resolution 7/1, the Secretariat issued a note verbale in December 2018 seeking information on the issues identified above and, as a reminder, another note verbale in January 2019.

38. On the basis of the information received, the Secretariat prepared a report on progress in implementing the mandates for the eighth open-ended intergovernmental expert meeting to enhance international cooperation under the United Nations Convention against Corruption ([CAC/COSP/EG.1/2019/2](#)).

39. On the basis of the information received, the Secretariat will also prepare a background paper on the status of implementation of Conference resolutions 6/4 and 7/1 on international cooperation in civil and administrative proceedings for the detection of offences established in accordance with the Convention ([CAC/COSP/2019/7/Add.1](#)), for consideration at the present session.

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

40. In its resolution 7/1, the Conference encouraged States parties and UNODC to continue to share 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 this issue.

41. At its eleventh meeting, the Working Group welcomed the study on the effective management and disposal of seized and confiscated assets (CAC/COSP/WG.2/2017/CRP.1) and encouraged the Secretariat to continue work on good practices in that regard.

42. The Working Group also noted with appreciation the results of the international expert meeting on the management and disposal of recovered and returned stolen assets and encouraged further compilation of experiences with a view to identifying good practices in that regard.

43. At its twelfth meeting, the Working Group supported the further study and consideration of and the discussions on the draft non-binding guidelines on the management of frozen, seized and confiscated assets ([CAC/COSP/WG.2/2018/3](#)).

44. At the same meeting, the Working Group encouraged the Secretariat to continue to compile experiences and comments on the management and disposal of seized and confiscated assets and to include this issue in the agendas of the second resumed ninth session of the Implementation Review Group of the United Nations Convention against Corruption, which was held from 12 to 14 November 2018, and of the thirteenth meeting of the Working Group, for further discussion.

Action taken

45. The Secretariat invited States parties to provide their views on the draft non-binding guidelines in a note verbale issued in July 2018 and it subsequently made available to the Implementation Review Group a revised version of the guidelines (CAC/COSP/IRG/2018/CRP.14) that reflected, to the extent possible, the comments received from States parties.

46. On the basis of the recommendations made by the Implementation Review Group, the Secretariat further revised the draft non-binding guidelines and issued a note verbale in January 2019 requesting States parties to submit comments on the new version of the guidelines.

47. A new revised draft of the non-binding guidelines was submitted to the Working Group at its thirteenth meeting ([CAC/COSP/WG.2/2019/3](#)).

48. Further comments from States parties will be included in an updated version of the draft non-binding guidelines to be made available to the Conference, in a document entitled “Revised draft non-binding guidelines on the management of frozen, seized and confiscated assets”.

5. **Gathering of information on good practices on the management and disposal of recovered and returned stolen assets in support of sustainable development**

49. 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.

50. In addition, the Conference called upon States parties to continue the exchange of best practices and precise information on successful cases of cooperation between different States parties regarding the implementation of asset recovery-related provisions of the Convention. It also requested the Secretariat, in consultation with States parties and taking into account, among other things, the information being gathered through the Implementation Review Mechanism and by panels and studies, to continue to collect information on the legal framework, legal procedures and judicial actions taken by States parties to recover proceeds of crime derived from corruption under the Convention, and encouraged States parties to make information in this regard widely available, in order to share good practices.

51. At its twelfth meeting, the Working Group re-emphasized the importance of asset recovery as an important factor of the domestic resource mobilization required for the achievement of the Sustainable Development Goals, and it recommended that the Secretariat collect information on examples of how countries had worked together to ensure transparency and accountability in the return and disposal of confiscated proceeds of corruption.

52. At the thirteenth meeting of the Working Group, speakers requested the Secretariat to continue to collect examples, comments and statistics on asset recovery, including collecting good practices in that regard and gathering information on asset return.

Action taken

53. With a view to advancing the work on strengthening the recovery and return of stolen assets, as included in target 16.4 of the 2030 Agenda for Sustainable Development, UNODC, supported by Ethiopia and Switzerland, started a process to identify good practices on the management and disposal of recovered and returned stolen assets in support of sustainable development. The first expert group meeting under that initiative was held in Addis Ababa in February 2017 and brought together for the first-time practitioners working on asset recovery and return, as well as practitioners working on financing for development.

54. In a note verbale issued in December 2018, and in a reminder note verbale issued in February 2019, the Secretariat invited States parties to provide available information on: (a) successful cases of cooperation between State parties, in particular information involving the return or disposal of confiscated proceeds of corruption; (b) the legal framework, legal procedures and judicial actions used to recover, return or dispose of the proceeds of crime successfully; and (c) the modality used for the return.

55. The analysis of the information gathered was discussed at a second expert meeting on the return of stolen assets, held in Addis Ababa from 7 to 9 May 2019 by UNODC and supported by the Governments of Ethiopia and Switzerland. Drawing on lessons learned from the analysis provided and other cases, and with contributions from the StAR Initiative, the experts highlighted good practices in asset return, such as early and open communication between requesting and requested States, building trust among the partners and understanding the differences in legal systems and domestic requirements with regard to asset recovery and asset return. The experts also underscored the need to provide technical assistance and training to enable countries

to fully use all available options for asset recovery and asset return. The report of the meeting will be made available to the Conference as a conference room paper.

6. Gathering of information on the volume of assets seized, confiscated and returned or disposed of by States

56. In its resolution 6/3, the Conference invited States parties, in accordance with national legislation and policies, to collect and make public data on the volume of assets seized, confiscated and returned or disposed of by their jurisdictions.

Action taken

57. As noted in the previous progress report ([CAC/COSP/WG.2/2018/2](#)), collecting and publishing data on the volume of assets seized, confiscated and returned or disposed of are a complex issue, yet it is important to assess actual progress on asset recovery. In particular, collecting data is crucial for measuring progress towards achieving the Sustainable Development Goals, especially target 16.4. While some States parties have statistical systems in place, those systems do not necessarily produce internationally comparable data over time. In addition, weaknesses in national statistics systems were one of the most frequently identified challenges in the country reviews in the first cycle of the Implementation Review Mechanism.

58. To support States parties in collecting such data, the Secretariat presented the Working Group with several possibilities for further discussion ([CAC/COSP/WG.2/2017/3](#), paras. 48–50).

7. Gathering of information on experiences and best practices on measures and remedies to enhance international cooperation and asset recovery related to corruption, including when it involves vast quantities of assets

59. In its resolution 7/2, the Conference invited States parties to provide information on experiences and best practices on criminal and civil measures and remedies to enhance international cooperation and asset recovery related to corruption, including when it involved vast quantities of assets.

Action taken

60. In line with that mandate, the Secretariat sent two requests to States parties to share relevant information, in March and April of 2018, respectively. The Secretariat received 32 contributions in response, the preliminary analysis of which served to highlight some initial best practices. The findings were shared with experts attending the Global Expert Group Meeting on Corruption Involving Vast Quantities of Assets held in Lima from 3 to 5 December 2018.³

61. With regard to international cooperation and asset recovery, the experts noted the critical importance of building trust in and understanding different legal systems to further investigations and substantiate subsequent requests for mutual legal assistance and asset recovery.

62. The experts also emphasized the need for the timely, efficient, effective and flexible provision of mutual legal assistance, as a matter of international obligation, and the need to overcome obstacles in international cooperation. They highlighted the added value of enabling authorities to recover assets even in the absence of a criminal conviction, and emphasized the advantages of civil litigation for asset recovery. They also noted the importance of the possibility of enforcing foreign freezing, seizure and confiscation orders, and the importance of using recovered assets for specific social purposes to remediate social damage caused by corruption and strengthen the restorative aspect of asset recovery by compensating the victims.

³ See www.unodc.org/unodc/en/corruption/meetings/Lima-egm-2018.html.

63. Experts attending the Global Expert Group Meeting on Corruption Involving Vast Quantities of Assets held in Oslo from 12 to 14 June 2019⁴ further discussed best practices in international cooperation. They recommended, inter alia, that the transnational nature of corruption involving vast quantities of assets be properly acknowledged and addressed by using all the tools available for international cooperation, including using the full extent of a country's jurisdiction. When initiating a case involving vast quantities of assets, the experts recommended that law enforcement officials think and act globally and pro-actively and consider coordination with additional relevant jurisdictions, in line with article 53 of the Convention, taking into account the practical steps laid out in the Guidelines for the Efficient Recovery of Stolen Assets.

64. The experts encouraged national practitioners to use informal cooperation channels. It was noted that articles 48 (law enforcement cooperation) and 49 (joint investigations) of the Convention should be used to their full potential. The experts also recommended that legislation on foreign bribery be adopted and enforced as a matter of priority by national authorities. Where appropriate and consistent with national legal systems, non-trial resolution could be considered as one effective means for settling cases of corruption involving vast quantities of assets.

65. The experts recommended that no functional immunity from prosecution be granted to public officials engaged in corruption involving vast quantities of assets. They also recommended that central authorities for mutual legal assistance or other competent authorities assist requesting States pro-actively and in a timely manner in cases of corruption involving vast quantities of assets.

66. Finally, the experts recommended that innovative ideas to end impunity be explored.

67. The outcome statements of the meetings held in Lima and Oslo will be made available to the Conference in a note by the Secretariat (CAC/COSP/2019/13).

8. Gathering of information on approaches to transparency of beneficial ownership

68. The Working Group noted the initiative of the Secretariat of holding, with support from the Russian Federation, an expert group meeting on transparency of beneficial ownership, and requested the Secretariat to update the Group on the outcomes of that meeting.

69. The Working Group also highlighted the importance of studying and overcoming challenges associated with access to information on beneficial ownership and requested the Secretariat to continue to update the Group on future activities in that regard.

Action taken

70. UNODC and the StAR Initiative, with the support of the Russian Federation, held an international expert group meeting in November 2018, with a focus on impediments that legal professional privilege or professional secrecy may pose for investigators seeking to gather information during their investigations, notably on beneficial ownership. Approximately 30 experts participated, including investigators from different jurisdictions, prosecutors, legal professionals, members of bar associations, representatives of the Financial Action Task Force and the Middle East and North Africa Financial Action Task Force, academics, representatives of civil society organizations and members of the media. The discussions highlighted many differences between jurisdictions with regard to the scope, interpretation and applications of legal professional privilege. However, they also emphasized clear vulnerabilities related to the abuse of privilege, especially when privilege protections were advertised for financial and business services provided by legal professionals. Participants discussed various models to help to address practical challenges related

⁴ See www.unodc.org/unodc/en/corruption/meetings/oslo-egm-2019.html.

to legal professional privilege. The findings of the meeting will be included in the forthcoming publication on this subject.

9. Gathering of information on the best practices of States for the identification and compensation of all different types of victims; analysis of third-party challenges and their impact on asset recovery; and analysis of communication and coordination between various asset recovery practitioner networks

71. In its resolution 7/1, the Conference invited the Working Group to propose future agenda items and decided that the Working Group should continue its work by, *inter alia*:

(a) Continuing its efforts to gather information on and conduct enhanced analysis of best practices for the identification and compensation of all different types of victims in accordance with the Convention, including, as necessary, by soliciting information from States parties, facilitating exchanges among experts and organizing expert panels, while taking into consideration similar work undertaken at prior meetings of the Working Group, by expert panels and in discussions;

(b) Conducting analysis of third-party challenges and their impact on asset recovery under chapter V;

(c) Continuing to collect data on best practices, with a view to developing non-binding guidelines concerning the timely sharing of information to enable States parties to take appropriate action, in accordance with article 56 of the Convention;

(d) Conducting an analysis of how communication and coordination between various asset recovery practitioner networks could be improved, with a view to developing guidelines for the proactive and timely sharing of information.

72. At its twelfth meeting, the Working Group took note of the document by the Secretariat containing draft non-binding guidelines on the timely sharing of information in accordance with article 56 of the Convention and improving communication and coordination between various asset recovery practitioner networks ([CAC/COSP/WG.2/2018/5](#)), supported the further study and consideration of and discussions on the non-binding guidelines and requested the Secretariat to submit them to States parties for comments.

73. At the same meeting, the Working Group recommended that the Secretariat collect information on the practice of mutual recognition of non-conviction-based freezing orders and confiscation judgments.

Action taken

74. In carrying out those mandates, the Secretariat prepared a workplan to structure the work of the Working Group until 2019 ([CAC/COSP/WG.2/2018/4](#)), adopted by the Working Group at its twelfth meeting.

75. A thematic discussion panel on best practices for the identification and compensation of all different types of victims in accordance with the Convention and third-party challenges and their impact on asset recovery under chapter V was held at the thirteenth meeting of the Working Group.

76. In order to inform the deliberations of the Working Group, the Secretariat submitted a note on best practices for the identification and compensation of all different types of victims in accordance with the Convention, and third-party challenges and their impact on asset recovery under chapter V ([CAC/COSP/WG.2/2019/5](#)). This thematic discussion will continue at the fourteenth meeting of the Working Group, in 2020.

77. In two notes verbales, issued in December 2018 and January 2019, respectively, the Secretariat invited States parties to provide comments on the draft non-binding guidelines on the timely sharing of information in accordance with article 56 of the Convention and improving communication and coordination between various asset recovery practitioner networks. On the basis of the comments received, the Secretariat

revised the guidelines and submitted them for further consideration of the Group at its thirteenth meeting ([CAC/COSP/WG.2/2019/4](#)).

78. The Secretariat also invited States parties, in two notes verbales issued in December 2018 and January 2019, respectively, to provide information on their practice of mutual recognition of non-conviction-based freezing orders and confiscation judgments. The information received was included in a conference room paper on mutual recognition of non-conviction-based freezing orders and confiscation judgments (CAC/COSP/WG.2/2019/CRP.1).

79. Further information on those topics is expected to become available as more reviews are completed under the second cycle of the Implementation Review Mechanism. This additional information will be made available at future sessions of the Implementation Review Group and future meetings of the Working Group.

B. Building confidence and trust between requesting and requested States

1. Central authorities, asset recovery focal points and networks

80. 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.

81. The Conference has requested the Working Group to continue to consider 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.

82. In its resolution 6/3, the Conference 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 Network on Asset Recovery, supported by the International Criminal Police Organization (INTERPOL) and the StAR Initiative, and the Camden Asset Recovery Inter-Agency Network, as well as regional initiatives, such as the Arab Forum on Asset Recovery.

83. 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.

84. The Working Group has recommended that UNODC explore how the database of asset recovery focal points could be amended to make it possible to ascertain the contact details of persons in other jurisdictions.

85. The Working Group has urged States parties to continue to work towards identifying and addressing practical barriers to cooperation in asset recovery and finding solutions.

86. The Working Group commended the Secretariat's efforts to merge the online directory of competent authorities with another directory under the Sharing Electronic Resources and Laws on Crime (SHERLOC) portal and requested that it continue those efforts.

Action taken

87. The online directory of competent national authorities, including central authorities for mutual legal assistance and asset recovery focal points, is available online.⁵

88. The Secretariat continued to update the online directory, which, as at 10 September 2019, contained information on:

- (a) Central authorities for mutual legal assistance in 129 States parties;
- (b) Prevention authorities in 117 States parties;
- (c) Asset recovery focal points in 81 States parties;
- (d) Central authorities for extradition in 24 States parties;
- (e) Focal points for international cooperation in the use of civil and administrative proceedings in 32 States parties.

89. The Secretariat has finalized the data migration of the online directory of competent national authorities under the Convention to the directory of competent national authorities in SHERLOC. States parties can now enjoy a single outlet of information regarding various types of competent national authorities. Furthermore, the Secretariat continues to enhance information-sharing between the TRACK and SHERLOC systems.

90. The Global Focal Point Network was launched in January 2009 to support the investigation and prosecution of corruption and economic crime through international cooperation and informal 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 system of Secure Communications for Asset Recovery (I-SECOM). As at 20 February 2019, 240 dedicated focal points representing 136 countries were participating in the platform.

91. UNODC and the StAR Initiative continued their support for the strengthening of regional networks engaged in asset recovery and confiscation. At the time of reporting, there were eight regional networks: the Camden Asset Recovery Inter-Agency Network and, following the same model, the asset recovery inter-agency networks for Asia and the Pacific, the Caribbean region, eastern Africa, Southern Africa, West Africa and West and Central Asia, as well as the Inter-Agency Asset Recovery Network of the Financial Action Task Force of South America against Money-Laundering. Activities included the following:

- (a) The StAR Initiative attended the steering group meeting and the annual general meeting of Asset Recovery Inter-Agency Network for Asia and the Pacific in Bali, Indonesia, in November 2018 and in Ulaanbaatar in September 2019. The Initiative moderated two panels on developing effective asset recovery systems and on innovation and strategy for the effective recovery of criminal assets, in addition to giving a presentation on developing asset recovery strategies;
- (b) The StAR Initiative contributed to the inaugural meeting of the Asset Recovery Inter-Agency Network for the Caribbean Region, in November 2018, with a presentation on its work by videoconference;
- (c) UNODC attended the annual general meeting of the Asset Recovery Inter-Agency Network for Eastern Africa, in Rwanda, in November 2018;
- (d) The Asset Recovery Inter-Agency Network for Southern Africa, composed of 16 countries, provides a community platform to facilitate the exchange of information and a platform on wildlife and forestry crime through which it is linked to the Asset Recovery Inter-Agency Network for Asia and the Pacific. The Network

⁵ See www.unodc.org/comppauth_uncac/en/index.html.

for Southern Africa runs a mentor programme and a prosecutor placement programme and collects statistics on seizures and confiscations by its member States;

(e) The Asset Recovery Inter-Agency Network for West and Central Asia was officially launched in November 2018. Member countries were assisted in its establishment by the asset forfeiture adviser of the Global Programme against Money-Laundering, who also manages the Asset Recovery Inter-Agency Network for Southern Africa;

(f) In May 2018, the Global Programme against Money-Laundering and the StAR Initiative participated in the annual general meeting of the Camden Asset Recovery Inter-Agency Network, in Poland;

(g) The StAR Initiative participated in a meeting of asset recovery networks in the Netherlands in September 2018 and offered to work with them on an open-source resource for investigators.

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

92. 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.

93. In its resolution 6/3, 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 Network, 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

94. UNODC works closely with and supports the activities of the International Association of Anti-Corruption Authorities, participates in its Executive Committee and attended the most recent annual general meeting of the Association, held in Vienna in January 2019.

95. UNODC continues to be involved in activities of the Egmont Group of Financial Intelligence Units. The StAR Initiative participated in the Egmont Group meetings in Sydney, Australia, from 23 to 29 September 2018 and in The Hague, Netherlands, from 1 to 4 July 2019. Both the Initiative and the Global Programme against Money-Laundering 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. The Global Programme also continued to promote inter-agency cooperation, highlighting the importance of such cooperation to the success of regimes to counter money-laundering and the financing of terrorism.

3. Promoting dialogue and removing barriers to asset recovery

96. The Working Group has emphasized the need for the Secretariat to further strengthen its work with regard to promoting dialogue between requesting and requested 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.

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

98. In its resolution 6/2, the Conference called upon States parties to give particular and timely consideration to the execution of requests for mutual legal assistance in asset recovery, and it encouraged in its resolution 6/3 States parties to remove barriers to asset recovery, including by simplifying legal procedures, while preventing their abuse.

99. In its resolution 7/1, the Conference urged States parties, where appropriate and in accordance with their domestic legal principles, to remove barriers to asset recovery, including by simplifying legal procedures, while preventing their abuse, and by processing requests for assistance without delay, in order to enhance international cooperation under chapters IV and V of the Convention, acknowledging the fundamental principles of due process of law in criminal proceedings and in civil or administrative proceedings to adjudicate property rights.

100. In the same resolution, the Conference called upon States parties to afford one another the widest measure of cooperation, in line with article 51 of the Convention, and to make increased efforts to ensure the return or disposal of confiscated property, in accordance with article 57, by taking measures to the greatest extent possible within their domestic legal systems:

(a) To prevent, detect and deter in a more effective manner the international transfer of proceeds of crime derived from corruption;

(b) To identify, trace, seize, recover and return proceeds of crime derived from corruption, including by enhancing compliance by banks and designated non-bank financial institutions.

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

Action taken

102. UNODC, including through the StAR Initiative, continued to actively advocate in a number of international forums the need to strengthen political will, including the Anti-Corruption and Transparency Experts Working Group of the Asia-Pacific Economic Cooperation forum, INTERPOL, the European Union and Eurojust, the Group of Seven, the Group of 20 Anti-Corruption Working Group and the World Economic Forum, in particular its Partnering against Corruption Initiative.

103. UNODC continued to raise awareness of the full implementation of the Convention, emphasizing the importance of its provisions on asset recovery, as an observer at the meetings of the Group of 20 Anti-Corruption Working Group. UNODC supported the implementation of the Group's action plans for 2017–2018 and 2019–2021.

104. UNODC and the StAR Initiative participated in various meetings related to money-laundering in order to promote coordination with regard to asset recovery. The Initiative has continued its close working relationship with the Financial Action Task Force, especially in its plenary meetings, and its participation in relevant meetings and consultations with Financial Action Task Force-style regional bodies.

105. Since the United Kingdom and the United States of America hosted the first Global Forum on Asset Recovery, in Washington, D.C., in 2017, with support from the StAR Initiative, the Initiative has been following up with the four focus countries, Nigeria, Sri Lanka, Tunisia and Ukraine, to build further capacity and maintain the momentum generated at the first Global Forum.

106. At the twelfth meeting of the Working Group, the StAR Initiative held a side event with the United Kingdom and the United States on the principles for the disposition and transfer of confiscated stolen assets in corruption cases, adopted at the Global Forum on Asset Recovery by the co-hosts and the four focus countries.

107. On 23 May 2018, the General Assembly, in accordance with its resolution [72/196](#), held a high-level debate to mark the fifteenth anniversary of the adoption of the Convention, highlight emerging trends and promote the effective implementation of the Convention. In his opening remarks, the Secretary-General highlighted the importance of returning stolen assets and called attention to the vital role of African countries in moving the agenda forward. The StAR Initiative held a dialogue meeting on asset recovery to review the substantial progress made in international cooperation and asset recovery since the adoption of the Convention, identify areas where challenges remained and hindered the full implementation of the Convention and highlight the role of different actors and ways to further accelerate the systematic and timely return of stolen assets.

108. Representatives of the StAR Initiative attended the eighth Regional Conference for Heads of Anti-Corruption Agencies in Commonwealth Africa, held in Abuja from 14 to 18 May 2018, the theme of which was “Partnering towards asset recovery and return”. The Initiative held a meeting on the role of development partners, delivering a presentation highlighting several aspects of its work, namely, country engagements, policy influence and knowledge development, and linking asset recovery and return to the achievement of the Sustainable Development Goals and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.

109. UNODC and Guatemala co-held an international expert meeting on the management, disposal, use and recovery of frozen, seized and confiscated assets in Antigua, Guatemala, from 2 to 4 May 2018, with the participation of more than 10 countries from the Group of Latin American and Caribbean States, as well as Switzerland, the United Kingdom and the United States. The purpose of the meeting was to promote the regional debate about large restitutions of stolen assets as a follow-up to the three work streams identified at an expert group meeting in Addis Ababa, in February 2017, namely, the management of seized and confiscated assets pending return, the use or final disposal of returned assets, including in support of the Sustainable Development Goals, and modalities and negotiation of agreements for returning the assets. Furthermore, participating experts discussed the draft non-binding guidelines on the management, use and disposal of frozen, seized and confiscated assets with a view to facilitating the approval process.

110. In March 2019, the StAR Initiative took part in two events held by civil society partners: it delivered a presentation at a meeting in Brussels held by Transparency International and the Civil Forum for Asset Recovery on what the European Union could do to increase efforts against grand corruption; and it took part in at a conference on “Concrete modalities of stolen assets restitution: the way forward”, co-held by Transparency International France and the French Senate. Following the conference, Transparency International France hosted a closed half-day working session with civil society representatives on principles for asset return and a new draft French law on that issue, at which the Initiative provided background information on the adoption and implementation of the [Global Forum on Asset Recovery principles](#).

111. In May 2019, the StAR Initiative participated in a meeting convened in New York by the President of the General Assembly on international cooperation to combat illicit financial flows and the strengthening of good practices on asset return. Participants took stock of achievements of current efforts to combat illicit financial flows and core challenges yet to be addressed.

C. Technical assistance, training and capacity-building

112. 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.

113. 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 the importance of granting sufficient resources to UNODC and other relevant assistance providers. In addition to such activities as seminars and training courses, the Working Group has encouraged the Secretariat to hold training sessions using innovative technology, such as e-learning programmes.

114. 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.

115. 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.

116. 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 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 this regard.

117. 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.

118. In its resolution 6/1, the Conference requested the Secretariat to structure the provisional agendas of the Implementation Review Group and other subsidiary bodies established by the Conference in such a way as to avoid the duplication of discussions, while respecting their mandates.

Action taken

119. UNODC has continued to respond regularly to technical assistance requests by States parties, in order to strengthen their capacity in implementing chapter V of the Convention and their full participation in the Implementation Review Mechanism, in particular in advance of and following the official start of the second cycle of the Mechanism, in June 2016.

120. Furthermore, in 2018, UNODC, including through the StAR Initiative, provided technical assistance to 22 States parties, including 12 States parties working on legislative reform. During that period, two States parties adopted new laws and 13 received support to improve domestic coordination processes, while more than 850 professionals received training in asset recovery.

121. At its twelfth meeting, in line with Conference resolution 6/1 and pursuant to the workplan agreed for the period 2017–2019, the Working Group held a joint meeting on technical assistance with the Implementation Review Group. In anticipation of a similar joint meeting during the thirteenth meeting of the Working Group, the Secretariat submitted a note containing information on technical assistance needs identified through the individual country reviews that had been finalized in the second cycle of the Implementation Review Mechanism and on the technical assistance that had been provided ([CAC/COSP/IRG/2019/5](#)).

D. Reporting and follow-up

122. The Conference could provide further guidance on the development of guidelines, good practices and other tools to improve the implementation of chapter V of the Convention.

123. The Conference may wish to provide guidance on the possibilities of establishing a regular reporting mechanism on the volume of assets seized, confiscated and returned or disposed of by States in cases involving international recovery. That information could be used to update the Asset Recovery Watch database of the StAR Initiative, which is, to date, the only systematic attempt to track efforts by prosecution authorities worldwide to go after assets that stem from corruption, and to conduct a new StAR Initiative study on progress in international asset recovery efforts in corruption cases.

124. The Conference may also wish to provide guidance on the role that UNODC, including through the StAR Initiative, and the Working Group could play in facilitating international cooperation in asset recovery, in particular with respect to adopting a help-desk approach to asset recovery to give informal advice during the initial stages of a case and to refer requesters to counterparts who would be able to provide further assistance.

125. The Conference could continue to encourage States to make use of their reviews under the second cycle of the Implementation Review Mechanism to enhance their implementation of chapter V of the Convention and request technical assistance to address any challenges identified.

126. The Conference may wish to encourage States to: (a) provide guidance on the role of UNODC in the delivery of such assistance at the national and regional levels, including through the StAR Initiative; and (b) take advantage of available opportunities for capacity-building in the area of asset recovery.

127. Furthermore, in the light of the progress made in the reviews of the implementation of chapter V of the Convention, the Conference may wish to consider how best to address the needs identified 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.
