



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

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Open-ended Intergovernmental Working Group on Asset Recovery

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Item 2 of the provisional agenda*

Overview of progress made in the implementation of asset recovery mandates

Progress report on the implementation of the mandates of the Working Group on Asset Recovery

Note by the Secretariat

I. Introduction

1. In its resolution 1/4, 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 gave the Working Group the mandate of, 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. From 2007 to 2018, the Working Group held its first through twelfth meetings annually in Vienna.
4. The present note has been prepared to inform the Working Group at its thirteenth meeting on the status of implementation of its recommendations and those of the Conference relating to asset recovery. Its purpose is to assist 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

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/WG.2/2019/1.



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 knowledge products 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 facilitation of the mutual legal assistance process, and has recognized the urgent and constant need to provide training.

9. The Working Group has 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 Implementation Review Mechanism.

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 improving asset recovery and efforts for their wide dissemination

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 particularly commended 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 (www.track.unodc.org).

13. Previously, the Working Group called upon States parties to provide regular updates on the information contained in the relevant databases on asset recovery and recommended that the collection and systematization of good practices and tools be further pursued, including for enhancing early and spontaneous information exchange.

14. 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.

15. 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.

16. In the same resolution, the Conference requested the Secretariat, in consultation with States parties, 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. In this respect, the information gathered during the first and second review cycles of the Mechanism for the Review

of Implementation of the United Nations Convention against Corruption, as well as information generated in panel discussions and studies, should be taken into account.

Action taken

17. 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 over 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 Mechanism for the Review of Implementation of the Convention and validated by States parties under review is used to update the information contained in the legal library. UNODC is in the process of redesigning and reconceptualizing the legal library in terms of its content and search functions. The redesigned legal library should be available in the second half of 2019.

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

19. The StAR Initiative publishes reports or studies that address knowledge gaps or current trends in specific areas of asset recovery. In September 2018, *Financial Intelligence Units Working with Law Enforcement Authorities and Prosecutors* was published. It is 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 (FATF) and other international organizations, and proposes good practices in cooperation among financial intelligence units, law enforcement agencies and prosecutors.

20. 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 identify and access the appropriate networks and facilitate international cooperation in the forfeiture of criminal proceeds. Based on a conference room paper submitted to the previous session of the Working Group, it includes a global directory that lists asset recovery networks, along with information about their membership, their organizational structure and how to contact them.

21. The StAR Initiative's report entitled *Public Wrongs, Private Actions: Civil Lawsuits to Recover Stolen Assets* was translated into French. A new StAR Initiative publication on using insolvency measures to recover proceeds of corruption is forthcoming and updates to other knowledge products are under way.

22. The StAR Initiative's Asset Recovery Watch database, 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 over 50 requesting and over 40 requested jurisdictions. The database is updated periodically and currently contains documentation on approximately \$8.2 billion in stolen funds that have been frozen, adjudicated or returned to affected countries since 1980.

23. 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 on asset recovery measures applicable within a given country, most of which were prepared as part of the Asset Recovery Action Plan of the Deauville Partnership with Arab Countries in Transition.

24. UNODC 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. It also contains an electronic evidence module to facilitate the drafting of mutual legal assistance requests to combat cybercrime and other criminal activities for which electronic evidence is located overseas or exists on the web and/or dark web. UNODC is in the process of preparations for making the tool available to practitioners as a simple, stand-alone HTML-based application capable of running on all devices, including tablets and mobile phones. The tool can be downloaded free of charge from the UNODC website. It will gradually be made available in the six official languages of the United Nations.

25. StAR has been assisting national authorities in creating country-specific beneficial ownership guides to help foreign investigators or other interested parties looking for information on the identity of the beneficial owners of an entity 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 (G-20) Anti-Corruption Working Group in 2016 and of the Global Forum on Asset Recovery in 2017. There are currently 24 country-specific beneficial ownership guides available on the StAR website. In 2017 and 2018, new or updated beneficial ownership guides were published for Brazil, India, Italy, Latvia, Liechtenstein, Nigeria, Switzerland, Ukraine and the United Kingdom of Great Britain and Northern Ireland.

26. All tools and knowledge products developed by UNODC and the StAR Initiative have been made available on the Internet free of charge. Apart from the ones listed above, UNODC also maintains the directories of asset recovery focal points and central and competent authorities under the Convention and, through the StAR Initiative, is involved in the Global Focal Point Initiative.

27. Efforts are made to actively disseminate knowledge products in various forums, including expert group meetings, training workshops and regional conferences.

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

28. 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 the financial intelligence units overseeing them. The Working Group also recommended including such institutions in the development of cumulative knowledge on asset recovery. It further 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 taking measures to enhance compliance by banks and designated non-bank financial institutions.

Action taken

30. Under its Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism, UNODC mentors and experts 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, interdiction of cash smuggling and the investigation of cryptocurrencies.

31. Additionally, cooperation with FATF and FATF-style regional bodies has continued. UNODC, as an observer to the Global Network Coordination Group of FATF, provided feedback in 2018 at the February, June and October meetings on its technical assistance and training activities to combat money-laundering and the financing of terrorism, in accordance with General Assembly resolution [73/186](#).

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

33. UNODC also supported a number of regional asset recovery networks. The Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism has been organizing regular meetings of operational experts to exchange information on large criminal financial networks capable of moving billions of dollars in proceeds of crime. The train-the-trainers project undertaken jointly with the European Union Agency for Law Enforcement Training to develop anti-money-laundering capacities in the western Balkans continued by enhancing the skills of financial investigators to conduct parallel financial investigations when investigating the predicate crimes of money-laundering, including corruption.

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

34. 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 article 43, paragraph 1, and article 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”.

35. 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.

36. The Conference, in its resolution 7/1, requested the Secretariat, 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 applies, 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.

37. The Working Group 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

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

39. The Secretariat, on the basis of the information received, 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, contained in document [CAC/COSP/EG.1/2019/2](#).

4. Gathering 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 and confiscated assets

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

41. The Working Group, at its eleventh meeting welcomed the study on the effective management and disposal of seized and confiscated assets contained in conference room paper 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 welcomed the draft non-binding guidelines on the management of frozen, seized and confiscated assets contained in document [CAC/COSP/WG.2/2018/3](#) and expressed the view that more time should be allocated to consider them.

44. Also at its twelfth meeting, the Working Group further encouraged the Secretariat to continue compiling experiences and comments on the management of frozen, seized and confiscated assets and to include this issue in the agendas of the second resumed ninth session of the Implementation Review Group, which was held from 12 to 16 November 2018, and of the thirteenth meeting of the Working Group, for further discussion.

Action taken

45. The secretariat, in a note verbale circulated in July 2018, invited States parties to provide their views on the non-binding guidelines and made available to the Implementation Review Group a revised version of the non-binding guidelines contained in conference room paper CAC/COSP/IRG/2018/CRP.14, which 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 non-binding guidelines and circulated another note verbale in January 2019 requesting States parties to submit comments on the new version of the non-binding guidelines.

47. A revised draft of the non-binding guidelines on the management of frozen, seized and confiscated assets is brought to the attention of the Working Group in document [CAC/COSP/WG.2/2019/3](#).

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

48. 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. In

addition, it 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. Also, it requested the Secretariat, in consultation with States parties and taking into account, among other things, the information being gathered through the Mechanism for the Review of Implementation of the United Nations Convention against Corruption 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 widely available information in this regard, in order to share good practices.

49. The Working Group, at its twelfth meeting, 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 recommended that the Secretariat collect information on examples of how countries have worked together to ensure transparency and accountability in the return and disposal of confiscated proceeds of corruption.

Action taken

50. 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 jointly 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 financing-for-development practitioners.

51. A second expert meeting on the return of stolen assets was being organized by UNODC and the Governments of Ethiopia and Switzerland, to be held in Addis Ababa from 7 to 9 May 2019. The meeting will provide a forum for dialogue among asset recovery practitioners and policymakers and its outcome will be presented to the Working Group.

52. In a note verbale sent in December 2018, 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 successfully recover, return or dispose of the proceeds of crime; and (c) the modality used for the return. The information gathered will be analysed and made available to the Conference at its eighth session, together with the outcome of the expert meeting.

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

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

54. 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 is 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 (“By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime”). While some States parties have statistical systems in place, those systems do not necessarily produce

internationally comparable data over time. Also, weaknesses in the national statistics systems were one of the most frequently identified challenges in the country reviews in the first cycle of the Implementation Review Mechanism.

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

56. The Working Group may wish to discuss whether this issue should be further pursued.

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

57. 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 involves vast quantities of assets.

Action taken

58. In line with that mandate, the secretariat sent two requests to States parties to share relevant information, in March and April of 2018. 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 Expert Group Meeting on Corruption Involving Vast Quantities of Assets, held in Lima from 3 to 5 December 2018 (<https://www.unodc.org/unodc/en/corruption/meetings/Lima-egm-2018.html>).

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

60. 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, while acknowledging the usefulness of step-by-step guidance on mutual legal assistance in different jurisdictions. The experts 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. The experts 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.

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

61. The Working Group noted the initiative of the secretariat of organizing, 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.

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

Action taken

63. 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 can 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 FATF and the Middle East and North Africa FATF, 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, the discussions 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 several different models to help address practical challenges related to legal professional privilege. The findings of the meeting will be made available in a report that is expected to be finalized prior to the eighth session of the Conference of the States Parties.

9. Ongoing work of the Working Group

64. 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.

65. At its twelfth meeting, the Working Group took note of the note 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](#)), expressed support for 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.

66. 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

67. 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.

68. For the present meeting, the workplan foresees a thematic discussion 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.

69. In order to inform the deliberations of the Working Group, the Secretariat has developed a document 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](#)).

70. In two notes verbales, sent in December 2018 and January 2019, 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 draft non-binding guidelines, which are presented for further consideration of the Group at its present meeting ([CAC/COSP/WG.2/2019/4](#)).

71. The secretariat also invited States parties, in two notes verbales in December 2018 and January 2019, 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](#)).

B. Building confidence and trust between requesting and requested States

1. Central authorities, asset recovery focal points and networks

72. 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.

73. 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.

74. 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 (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.

75. 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, is up to date, in order to enhance the dialogue on mutual legal assistance.

76. 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.

77. 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.

78. The Working Group commended the secretariat's efforts to merge the directories of competent authorities under the TRACK platform and the Sharing Electronic Resources and Laws on Crime (SHERLOC) portal and requested that it continue those efforts.

Action taken

79. The online directory of competent national authorities, including central authorities for mutual legal assistance and asset recovery focal points, is available at www.unodc.org/compauth_uncac/en/index.html.

80. The secretariat continued to update the online directory of competent national authorities. As at 7 March 2019, the directory contained information on:

- (a) Central authorities for mutual legal assistance in 129 States parties;
- (b) Prevention authorities in 115 States parties;
- (c) Asset recovery focal points in 80 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.

81. The secretariat has initiated the data migration of the online directory of competent national authorities under the Convention to the directory of competent national authorities in SHERLOC. In the future, SHERLOC will provide States parties with a single outlet of information regarding various types of competent national authorities. Furthermore, the secretariat continues to enhance information-sharing between the TRACK and the SHERLOC systems.

82. The Global Focal Point Initiative 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 secure communication system for asset recovery (I-SECOM). As at 20 February 2019, 240 dedicated focal points representing 136 countries were participating in the platform.

83. 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, for the Caribbean, for East Africa, for Southern Africa, for West Africa and for West and Central Asia, and the Asset Recovery Network of the Financial Action Task Force of South America against Money-Laundering. Some activities were as follows:

(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. The StAR Initiative moderated two panels on developing effective asset recovery systems and on innovation and strategy for the effective recovery of criminal assets; it also gave 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, in November 2018, with a presentation on its work, via videoconference;

(c) UNODC attended the annual general meeting of the Asset Recovery Inter-Agency Network for East 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 wildlife and forestry crime platform through which it is linked to the Asset Recovery Inter-Agency Network for Asia and the Pacific. The Network 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. In its establishment, the member countries were assisted by the asset forfeiture adviser of the Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism, who is also managing the Asset Recovery Inter-Agency Network for Southern Africa;

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

(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 together.

84. In January 2019, the StAR Initiative published a directory of various asset recovery networks that provides basic facts about each network, including its functions, what information can be obtained through it and its contact information.

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

85. 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.

86. 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 Focal Point Initiative and the Camden Asset Recovery Inter-Agency Network, and information provided at the financial intelligence unit level, in the course of making requests for mutual legal assistance.

Action taken

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

88. 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 Australia from 23 to 29 September 2018. Both the UNODC Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism and the StAR Initiative 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 anti-money-laundering and countering the financing of terrorism regimes.

89. The StAR Initiative finalized a new publication, based on a joint study by the World Bank, the Egmont Group and UNODC, entitled *Financial Intelligence Units Working with Law Enforcement Authorities and Prosecutors*, which highlights the importance of cooperation (see para. 19 above).

3. Promoting dialogue and removing barriers to asset recovery

90. 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, in organizing the Global Forum on Asset Recovery and in the context of the G-20.

91. 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.

92. 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 in resolution 6/3 it encouraged States parties to remove barriers to asset recovery, including by simplifying legal procedures, while preventing their abuse.

93. 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.

94. 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 taking measures to enhance compliance by banks and designated non-bank financial institutions.

95. 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

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

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

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

99. 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 that Global Forum.

100. At the twelfth meeting of the Working Group, StAR organized 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 by the co-hosts and the four focus countries.

101. 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 Convention's effective implementation. 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 organized a dialogue on asset recovery to review the substantial progress that had been made in international cooperation and asset recovery since the adoption of the Convention; to identify areas where challenges remained and hindered the full operationalization of the Convention; and to highlight the role of different actors and ways to further accelerate the systematic and timely return of stolen assets.

102. Representatives of the StAR Initiative attended the eighth Regional Conference of 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 StAR Initiative organized a meeting on the role of development partners, delivering a presentation highlighting several aspects of the Initiative's work (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.

103. UNODC and Guatemala co-organized an international expert meeting on the management, disposal, use and recovery of frozen, seized and confiscated assets. The meeting was held 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.

C. Technical assistance, training and capacity-building

104. 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.

105. 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 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.

106. 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 the regional level.

107. 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 resources.

108. 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. The Conference encouraged technical assistance in this regard.

109. 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.

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

Action taken

111. UNODC has continued to regularly respond 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 Mechanism, particularly in anticipation of and since the official start of the second cycle of the Implementation Review Mechanism, in June 2016.

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

D. Reporting and follow-up

113. The Working Group may wish to provide further guidance on the development of guidelines, good practices and other tools to improve the implementation of chapter V of the Convention.

114. Specific guidance with respect to future work could cover the following areas: non-binding guidelines for the effective management and disposal of seized and confiscated assets; non-binding guidelines for the proactive and timely sharing of information; best practices for the identification and compensation of all different types of victims in accordance with the Convention; third-party challenges and their impact on asset recovery under chapter V; improving the transparency of beneficial ownership information; developing good practices on asset return; and enhancing

the practice of mutual recognition of non-conviction-based freezing and confiscation orders.

115. The Working Group may further wish to provide guidance on the role the Working Group and UNODC or its StAR Initiative 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.

116. The Working Group 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 StAR Initiative's Asset Recovery Watch database, which is to date the only systematic attempt to track efforts by prosecution authorities worldwide to go after assets that stem from corruption.

117. The Working Group may wish to continue to encourage States to make use of their reviews under the second review cycle to enhance their implementation of chapter V of the Convention and request technical assistance to address any challenges identified.

118. In the areas of training and technical assistance, the Working Group may wish to 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 to encourage States to take advantage of available opportunities for capacity-building in the area of asset recovery.

119. More concretely, in the light of the progress made in the reviews of the implementation of chapter V of the Convention, the Working Group may wish to consider how best to address the needs that are being 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.
