

INTERNATIONAL ANTI-CORRUPTION CONFERENCE 2024

Vilnius, Lithuania

18-21 June 2024

SESSION REPORT

Please know you may design the structure of this report to better suit the session. It's important to capture the key outcomes and solutions proposed for the future.

Session Title: Moving the Needle! Toward More Transparency, Accountability and Participation in Asset Recovery

Date: 21 June 2024

Time: 08:30 AM - 10:00 AM (GMT +3)

Report prepared by:

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Director

CiFAR – Civil Forum for Asset Recovery

Moderated by:

Jackson Oldfield

Director

CiFAR – Civil Forum for Asset Recovery

Panelists:

- Roberta Solis Ribeiro Martins
Crime Prevention and Criminal Justice Officer, Deputy Coordinator Star Initiative
UNODC
- Andreas Weber
Position: Policy Advisor Governance and Anti-Corruption
Swiss Agency for Development and Cooperation (SDC)
- Annalise Burkhardt
Position: Program and Research Associate
Transparency International U.S.

Share the thematic focus of the session, its purpose and corruption risks?

Fostering transparency, accountability and participation of civil society in asset recovery

Summary of panelists' contributions & discussion points (please be as detailed as possible)

Roberta Solis – the StAR Initiative and its asset recovery Database

The StAR Initiative was launched in 2007 through a joint effort of UNODC and the World Bank to support the implementation of Chapter V of UNCAC on asset recovery. It provides technical assistance to countries, works towards ending safe havens of illicit and carries out

knowledge innovation, data collection, policy work and partnership building (eg. with CIFAR and other international stakeholders).

Its GFAR Action Series builds on the successes in hosting asset recovery conferences such as the AFAR forums and the GFAR in 2017 and was launched in 2023. It consists of a practitioners platform focusing on the implementation of GFAR principles and targets 8 countries : Algeria, Honduras, Iraq, Moldova, Nigeria, Seychelles, Ukraine and Namibia.

The [Asset Recovery Watch Database](#) is a publicly accessible database on international asset recovery cases, building on StAR's previous case repository and adding to it significant more information and search functionalities. It is the only existing public database collecting info on international asset recovery and return.

The database aims to understand practices of cases, analyse trends and measure progress on UNCAC and SDGs implementation. It builds a robust collection of data on case examples, aiming therefore to promote transparency and accountability in asset recovery.

Database features include the background description of recovery cases, extensive search functions, and information and visualization on countries of origin and asset location. Sources collected in the last 4 years include 1) 300+ cases collected through questionnaires to State members of UNCAC, 2) 200+ cases collected through public sources. Overall, the cases include assets over \$10 billion returned to other countries and \$16.5 billion frozen or confiscated assets in 1997-2023. It is important to note that the cases included in the Database are only a snapshot of the entirety of international asset recovery cases and that the Platform does not cover domestic recoveries. Moreover, accuracy of information cannot be guaranteed since this is provided by participating countries.

Andreas Weber – Citizen and CSO participation in asset returns, the Swiss perspective

Mr. Weber presented the approach of the Swiss Agency for Development and Cooperation on CSO involvement in international asset returns. This approach involves:

- Guidance of GFAR Principles
- Partnerships with states of origin of the assets
- Fostering transparency and accountability of returns, including through external monitoring
- Promoting the involvement of CSOs (based on Principle 10 of GFAR). This is of high importance for enhancing transparency, citizen participation and building trust on asset recovery
- Tailor-made solutions for every return, rather than a one-size-fits-all approach.

The Swiss government is planning to publish new asset recovery guidelines this year, following this approach.

Two examples of the work of the SDC were presented:

1. 2017-2023, involving the return of USD 322 million to Nigeria ("Abacha II").
In this case it was agreed that the funds would be used to benefit the population through National Safety Nets, an existing World Bank project. Some features included:
 - A tripartite agreement between Switzerland, Nigeria and the World Bank
 - The World Bank had a monitoring role
 - The CSO involvement was included in the MoU as a possibility. The implementing CSO was Aneej, through the MANTRA project.

- Advantages of CSO involvement included structured dialogue among CSOs and the government and the best practice of citizen monitoring of the actual use of assets
2. Uzbekistan 2030 return. This is an ongoing case involving the return of \$131 million and involved the creation of a UN Multi-Partner Trust Fund. Some features include:
- Its Goal is to contribute to the 2030 Uzbekistan sustainable development agenda
 - The first tranche of the return focused on health and education
 - The governance structure of the Fund includes a CSO Advisory Council. Its responsibilities include providing advice, participating in monitoring and evaluation and raising awareness and facilitating broader CSO involvement. The Council is made of 2 international and up to 17 national CSOs, with a balanced representation (gender, regional background, thematic expertise)
 - Some early lessons include: the CSO Council is working well so far, its participants are committed and fulfilling their tasks, criticised some projects and raised risks; At the same time, there is a need to build technical capacity of CSOs

Some challenges and open questions from these experiences include:

- Funding for CSOs participation is often limited, how can we support this and at the same time ensure that CSOs remain independent?
- How to guarantee the legitimacy of participating CSOs?
- It is important to have a certain level of trust between CSOs and the government

Annalise Burkhardt, Transparency International U.S.: How can CSOs work to advance asset recovery, experiences from the U.S.

TI U.S. gives high importance to the fight against cross-border crime, which includes supporting victims of corruption through the recovery of assets located in the U.S.

The work of the Department of Justice (DOJ) on Anti-Kleptocracy was briefly described. The DOJ is advancing significantly in the seizure of assets but there is little framework and experience in the modalities of asset returns. How much has actually been seized and confiscated? Not much information is publicly available and there is little CSO involvement in this. Typically DOJ (as in other countries) publishes an initial press release to announce that the seizure of some assets took place, which is only followed after years other public by announcements about the destination and use of the recovered assets.

Answering a question from the audience, Ms. Burkhardt reflected on some of the challenges CSOs still face in transparency on asset recovery, and how CSOs and governments can overcome these challenges. Overall data it is still difficult to find. Looking at the U.S., Congress recently introduced a draft bill on confiscation of kleptocracy victims, which included positive measures for CSO involvement, but it did not go through. In terms of return agreements, the best practice was the Abacha return, as it was very comprehensive and included explicit mention of CSO participation.

Main outcomes of the session (include quotes/highlights and interesting questions from the floor)

“Why is transparency in asset recovery important? It is an internationally recognized principle, including during the UNGASS Political Declaration in 2021, as well as Principles 4 and 10 of GFAR.” (Roberta Solis)

“CSOs plays multiple functions in asset recovery, including in investigating corruption and financial crime on new cases, awareness raising on further recoveries and international cooperation.” (Andreas Weber)

- A participant from the Ukraine anti-corruption agency asked: In Ukraine, CSO involvement is foreseen with our agency in combating corruption: there is a “Council of civil control” that monitors anti-corruption, which has a right to request information to us. Can this experience be replicated?

Answer: Yes, this experience seems interesting and should be shared with other countries. Indeed, while in many cases CSOs are involved in the asset return, they can be involved in any previous phase as well (investigation, monitoring processes) (Andreas Weber)

- A question from a participant from UNODC revolved on conditionality of returns: Has the inclusion of CSOs been made a condition for returns, for example in Nigeria?
 - (Roberta Solis): it is important to note that decisions on the modalities of return are made through bilateral negotiations, therefore it is up to the countries to decide this.
 - (Andreas Weber) This negotiating process can be useful since it looks at interests from both sides so that they can be mutually beneficial

- Pro Bono Association, an NGO in Angola, asked: How can we support the Angola government in recovering assets? How to support countries that are not part of GFAR?

Answer: StAR provides assistance that is wider than GFAR focus countries. This is demand-driven however, meaning that StAR responds to requests from governments for technical support. We therefore encourage CSOs to work with their UNCAC focal points so that the country requests assistance to StAR

- Roland from Transparency International EU asked: what to do with the issue of GONGOs (“fake” NGOs close to the government)?

Answer: This is a risk present when working on development and Anti-Corruption in general. CSOs close to government (but independent) can also be beneficial as they can act as intermediaries. In the Uzbekistan case, the selection of CSOs included criteria of variety and gender balance. CSO names were proposed from Switzerland and Uzbekistan governments (Andreas Weber)

We need more institutionalised frameworks of CSO involvement, due diligence checks and clear selection criteria (Annalise Burkhardt)

Key recommendations for the future and concrete follow-up actions

1. CSOs should work with governments to report and publish more on asset recovery cases. This can also be done through existing mechanisms, such as the UNCAC Review as well as engagement on the StAR Actions Series
2. It is important to build the capacity of local CSOs to participate in asset returns
3. It is equally key to promote further lessons and best practices exchanges among CSOs from different countries and experiences
4. Solutions for asset returns should be tailor made for every case and adapted to country contexts

5. CSO selection processes in asset return mechanisms should be fair and transparent and aiming to mitigate risk of the involvement of non-transparent groups

Takeaways and how can we go from here:

Speakers reflected on the way forward in the involvement of CSOs and in the promotion of transparency, accountability in asset recovery:

- TI USA calls on governments to be more transparent, and at the same time suggests to make it clear to CSOs that these processes are long and complex, and involve these in all phases of the asset recovery
- StAR will continue and build on current collaborations, including with CiFAR: we can see that the number of people involved in asset recovery grows and this needs to be encouraged.
- Asset recovery is clearly in an upward trend, more countries have frameworks in place, and are implementing and recovering, so StAR will continue to support them and encouraging them to share more information
- The panel agreed that CSO involvement in more and more cases and through more extensive roles is on a promising path and should be encouraged.

What can be done to create opportunities for scaling up the solutions discussed in the session? And by whom?

- StAR Initiative invites participants to help improve and build on its Asset Recovery Database. Inquiries and information be submitted to starinitiative@worldbank.org
- CSOs can approach their UNCAC Focal point and encourage them so their country requests technical support to StAR or other organisations.

Is there a specific call to action to key stakeholders, such as governments, businesses, funders, civil society, young people, journalists or any other stakeholder that should be noted? Please specify if relevant.

See above question.

Useful materials, research and Guides for CSOs to work on asset recovery:

- [Asset recovery StAR Database](#)
- [Civil society principles on transparent asset recovery](#)
- [CiFAR study on international returns through third parties](#)
- [CiFAR CSO Manual of Action on asset recovery](#)

Rapporteur's name

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CiFAR – Civil Forum for Asset Recovery

Date submitted

23 June 2024

Action! This report needs to be emailed to iacc-av@transparency.org within 24 hours of the session. If you wish to update the report, please do so by 21 July. Thank you.