



**The Organization for Security and Co-operation in Europe (OSCE) in co-operation with the United Nations Office on Drugs and Crime (UNODC) and the Stolen Asset Recovery (StAR) Initiative of the World Bank and the UNODC
With support from the 2012 Irish Chairmanship of the OSCE and the Basel Institute on Governance**

SEMINAR

“Identifying, Restraining and Recovering Stolen Assets in the OSCE Region”

Vienna, 3-5 September 2012

Political segment (Wednesday, 5 September 2012)

STATEMENT

John Sandage

Director

**Division for Treaty Affairs
United Nations Office on Drugs and Crime**

Your Excellency Secretary-General of OSCE,

Your Excellency Ambassador O' Leary,

Dear Mr. Svilanovic,

Distinguished delegates,

Ladies and gentlemen,

Allow me, first of all, to express my sincere gratitude for the honour bestowed on me to take part in this opening session of the political segment of the seminar.

During the previous two days, you had the opportunity to engage in discussions and exchange of views at a purely technical level, examining legal and operational issues of asset recovery, as well as practices and lessons learnt, of relevance for the OSCE participating States.

Today, at this political segment, the objective is different, much more oriented toward political considerations and geared towards developing a set of recommendations for follow-up action by the OSCE participating countries, as well as by the supporting organizations. These recommendations, as explained during the seminar, will be brought to the attention of the Ministerial Council at its meeting in December, which will mark and reflect the outcome of the OSCE Irish Chairmanship. I am sure that with the kind assistance of moderators and rapporteurs throughout the deliberations of the first two days, valuable and comprehensive feedback has been compiled for facilitating the shaping of concrete recommendations.

Both the expansion and sharing of technical knowledge and the development of "political guidance" are key components for structuring effective and robust asset recovery regimes and strategies. This is a conclusion applicable not only within the OSCE region, but also at a broader international context, as manifested by the work of the Working Group on Asset Recovery, convened in 2007 by the Conference of the States Parties to the United Nations Convention against Corruption to assist it in the implementation of its mandate on the return of proceeds of corruption.

Let me underline, at this point, that at its previous meetings, the Working Group on Asset Recovery has focused on four main themes, which, I am advised, were also discussed thoroughly at this seminar:

- *The development of cumulative knowledge on asset recovery issues.* The focus here is the availability, creation and management of knowledge on asset recovery with a view to overcoming practical challenges and barriers faced by States parties in the implementation of chapter V of the Convention.
- *The building of confidence and trust between requesting and requested States.* This is considered as a means of increasing political will, developing a culture of mutual legal assistance (especially for the benefit of developing countries) and paving the way for successful international cooperation.

- *Technical assistance, training and capacity-building* as a response to the urgent and constant need to enhance national capacity in tracing, freezing, seizing and confiscating proceeds of corruption-related offences.
- *The strengthening of coordination of various initiatives in asset recovery.* In this regard, the Stolen Asset Recovery (StAR) Initiative launched by the UNODC and the World Bank is a good example of joint efforts to encourage and facilitate the systematic and timely return of proceeds of corruption and to improve global performance in the return of stolen assets.

The comprehensive agenda of the seminar offered you the opportunity to analyze in-depth the inter-relationship of asset recovery mechanisms with other important crime prevention and criminal justice aspects, including measures on criminalization of related conduct and law enforcement, domestic confiscation, prevention of money-laundering, mutual legal assistance and international cooperation for purposes of confiscation.

This inter-relationship is further reflected in the United Nations Convention against Corruption, since Chapter V on asset recovery is linked with other parts of the Convention. For example, the provisions on the prevention and detection of transfers of proceeds of crime (chapter V, article 52) complement the measures to prevent money-laundering (chapter II, article 14), while the provisions on international cooperation for purposes of confiscation (chapter V, articles 54 and 55) tie in closely with the overall provisions on international cooperation, particularly mutual legal assistance (chapter IV, articles 43-50). Together, these provisions provide a unique and innovative framework for asset recovery, but much will depend on the ratification and effective implementation of the instrument by States parties.

I seize this opportunity, ladies and gentlemen, to underscore that the steady increase in the number of ratifications of – or accessions to - the Convention (as of today, 161 Member States are parties to the Convention) is a cause for optimism about universal adherence to this first global instrument against corruption.

Having said that, let me also make an appeal to the OSCE Participating States that have not yet ratified the Convention (Andorra, the Czech Republic, Germany, the Holy See and San Marino) to consider accelerating the process of ratification or accession and make this instrument an integral part of their domestic legal systems.

In this connection, I recall decision 11/04 of 7 December 2004 on “Combating corruption”, adopted at the OSCE Ministerial Council in Sofia, from which the main OSCE commitments in this field arise. The Council, apart from underscoring the significance of the UNCAC as “a major step forward in international cooperation against corruption [which] provides the opportunity for a global response to the problem”, also encouraged the OSCE participating States which have not yet done so to ratify the UNCAC.

Further to the ratification of, or accession to, the Convention, what needs to be consistently and continuously pursued is its **effective implementation**. In its resolution 4/4 on asset recovery, adopted at its fourth session in Marrakech in October 2011, the Conference of the States Parties to the UNCAC renewed “*the commitment of all States parties....to effective national action and international cooperation to*

give full effect to chapter V of the Convention and to contribute effectively to the recovery of the proceeds of corruption”.

In the same resolution, the Conference urged States parties to the Convention to strengthen the capacity of legislators, law enforcement officials, judges and prosecutors to deal with matters relating to asset recovery and further encouraged States parties to remove barriers to asset recovery, including, inter alia, by simplifying their legal procedures and preventing abuse of those procedures.

UNODC, in cooperation with the World Bank under the StAR Initiative, continues to work with Governments, including in the OSCE region, to assist them in dealing effectively with complex asset recovery issues, in line with the directions delineated in, and the guidance provided by, resolution 4/4.

Furthermore, in its capacity as the Secretariat of the COSP and its Working Group on Asset Recovery, UNODC has been working to further advance the multi-year workplan for the activities of the Working Group covering the period 2012-2015, as adopted at the sixth meeting of the Working Group which took place last week. The implementation of this workplan is also envisaged to function as a prelude to the preparation of States parties to the Convention, including OSCE participating States, for the review of implementation of chapter V of the UNCAC during the second cycle of its Implementation Review Mechanism, due to commence in 2015.

In light of this challenging and demanding agenda, partnerships and synergies between UNODC and other key stakeholders and actors in the field of asset recovery are of paramount importance. I am confident that the joint work of our Organizations for the preparation and conduct of this seminar, as a complementary event to the Working Group on Asset Recovery with a specific geographical focus on the OSCE region, will pave the way for more initiatives and concerted action in future, especially in the area of technical assistance to address capacity building needs on asset recovery issues.

Let me conclude by thanking the OSCE Secretariat for hosting this event, as well as the Irish Chairmanship for its political support in this endeavour.