

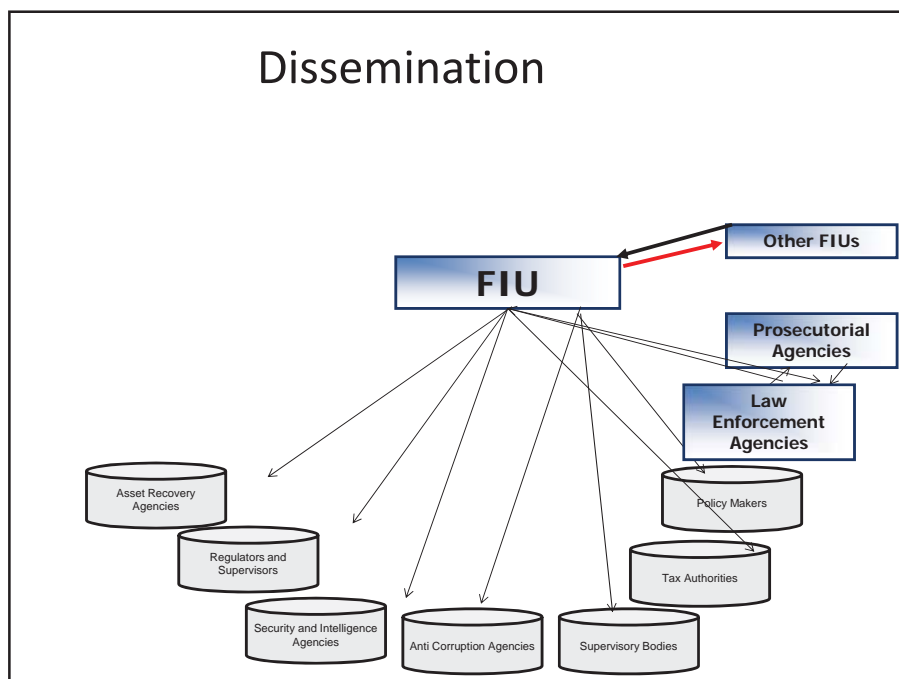
**IDENTIFYING, RESTRAINING AND
RECOVERING
STOLEN ASSETS IN THE OSCE REGION**

*INTERNAL AND EXTERNAL CO-OPERATION FOR THE
PURPOSE OF ASSET RECOVERY:
FIU CONTRIBUTION*

OSCE SEMINAR, VIENNA 3-9/9/2012

Reminder : basic considerations

- Speed → effectiveness (early discovery & timely intervention)
- Position of FIU:
 - proximity to financial & other relevant entities (detection)
 - intermediary & support law enforcement authorities
- Role of FIU:
 - pre-investigative
 - added value dissemination
 - LE finality



GENERAL / SPECIFIC

- Link in the asset recovery chain → synergies and coordination with relevant LE agencies (criminal asset bureaus!)
- Cash couriers: specific support role FIU ↔ Customs
 - Supplying seizure or dissemination grounds
 - Challenge: inter/supra-national information flow
- Postponement power!

Postponement of suspicious transactions

The CoE Convention on laundering, search, seizure and confiscation of the proceeds from crime and on the financing of terrorism (Warsaw 16 May 2005)

- **Article 14 – Postponement of domestic suspicious transactions**

The FIUs or, if appropriate, other competent authorities or bodies should be able to postpone a domestic suspicious transaction.

- **Article 47 – International cooperation for postponement of transactions**

The FIU should have the authority to postpone a suspicious transaction at the request of a foreign FIU.

FIU POSTPONEMENT

- Appr. 60% of all FIUs
- Mainly administrative type FIUs (specific legal basis)
- Up front SAR disclosure +/- LE request (exceptional / not recommended)
- Interim freezing of specific transactions and/or accounts in general (↔ tipping off prohibition)
- Survey:
 - not consistently used
 - underexploited power
- High performance if adequate follow-up seizure policy by LE/judicial authorities

STATISTICS

(example for Belgium)

	2010	2011
Number of freezing orders	60	33
Total amount of freezing orders (in million EUR)	135,84	183,59
Total amount of judicial seizures (in million EUR)	25,74	23,22

INTERNATIONAL COOPERATION

- Internal
 - real time information exchange between EG members
 - possibility to freeze/stop transaction at request of counterpart FIU (*not a mandatory EG principle – recommended*)

- External
 - Joint initiatives with int. partners (WB, IMF ...) → training
 - Recent: (indirect) diagonal cooperation with non-FIU bodies
→ EG resolution: through FIU channels (operational/confidential)

EGMONT FIUs in 2012



131 FIUs are currently Egmont Members

CASE EXAMPLES

Casus 1

Russian living in France – accounts in Belgian Bank

Large amounts from off-shores transiting over
Belgian account to another Russian in France

Balance (400.000 €) to be transferred to a Swiss
company (closing of account) → blocked by FIU

Info from counterpart FIU → relation with organised
crime

Intermediary/transit account – suspicion of shell
companies (no info to be found in registers)

Report to PP → funds seized

CASE EXAMPLES

Casus 2

Director of company in Brussels → suspected of serious fraud → absconded

Request for information received from foreign FIU → reveals existence of bank and investment account (ca. 1,5 million USD)

Blocking of account at request of CTIF-CFI

Report to PP → money turned over to Belgian LE authorities

CASE EXAMPLES

Casus 3

Counterpart FIU information request on foreign citizen suspected of environmental crime → CTIF/CFI query with Belgian bank holding account → suspect wants to close and collect balance in cash

CTIF/CFI freezes account → informs counterpart → MLA request from foreign judiciary to seize and transfer money within deadline

Follow-up: suspect convicted and assets forfeited