

TI-Indonesia Workshop on Asset Recovery
Bali, Indonesia, 25 October 2007

Recommendations for TI Action

A TI-Indonesia expert meeting on asset recovery and the UNCAC was held on 25 October 2007 in Bali with 61 participants from 22 countries. The aim of the meeting was to discuss the role of Transparency International and of civil society in achieving improved processes and practices for asset recovery.

It was noted that asset recovery is an area of central importance for anti-corruption efforts. Billions of dollars have been looted by the corrupt that are needed in the service of development and poverty reduction, and the message should be sent that corruption does not pay. Asset recovery is a complex field, covering subjects including anti-money laundering, criminal and civil procedure and mutual legal assistance. It was agreed that UNCAC's landmark and innovative provisions on asset recovery offer a key framework for progress in this field. It was also agreed that civil society has an important role to play in promoting improvements in asset recovery but that prioritisation as to the work to be done is necessary. The group considered the lessons to be learned from the Abacha, Montesinos, Marcos and Ershad cases.

There was consensus that the following topics should be given priority for TI advocacy:

- UNCAC monitoring is necessary, particularly in the area of asset recovery
- Funding to support the high legal costs of asset recovery efforts is needed in developing countries
- Arrangements should be made for use of frozen funds tied up in protracted litigation. The funds should be transferred to an independent institution and should not remain in the bank in which the funds were originally deposited

In a brainstorming session, the experts at the TI meeting made both general and specific suggestions regarding possible TI work in the field of asset recovery.

In terms of the broad orientation of TI work, it was suggested that:

- UNCAC should be the framework for TI involvement in asset recovery and mutual legal assistance
- TI work should cover all aspects of asset recovery, including prevention measures such as asset declarations and anti-money laundering
- Precedents established within the anti-terrorism framework should be considered since there are examples of effective anti-money laundering measures, asset tracing and international legal cooperation in that area
- Know-your-customer requirements should go beyond the banking sector to include the professions—legal, accounting, capital markets, insurance, pensions funds etc.
- TI should not duplicate the work being carried out by other organisations

Specific suggestions were made for possible TI work on asset recovery:

- Strong advocacy for UNCAC ratification / accession by all countries and for implementation of UNCAC and other related commitments such as G8 commitments
- Monitoring of implementation of UNCAC, in particular asset recovery and mutual legal assistance provisions, and production of a regular report card on those issues
- Contributions to intergovernmental discussions on improving asset recovery. It was noted that better TI access to UNCAC discussions was needed
- Audit of databases mapping relevant information eg. on mutual legal assistance legislation and treaties and linking to these, supplementing them where necessary
- Development of an index or measurement tool to compare the effectiveness of government efforts to make UNCAC asset recovery and mutual legal assistance provisions as speedy, cost effective and comprehensive as possible
- Promotion by TI National Chapters in financial centres of the need for coordinated and transparent procedures on asset recovery and mutual legal assistance
- TI National Chapters in requesting and requested countries working together to monitor specific asset recovery cases
- TI National Chapter monitoring of how recovered assets are spent

The participants recommended that in light of the importance of asset recovery for anti-corruption work, consideration should be given to formation of a TI working group on asset recovery, comprising National Chapters from countries seeking asset recovery and from those where assets are located.

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