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The Secretariat

**Co-ordinator of OSCE
Economic and Environmental Activities**

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**Seminar on Identifying, Restraining and Recovering
Stolen Assets in the OSCE Region**

EXPERT SEGMENT

Welcoming Remarks by Mr. Goran Svilanović,
Co-ordinator of OSCE Economic and Environmental Activities (OCEEA)

Ladies and Gentlemen,
Distinguished Participants,

On behalf of my Office, I would like to join Ambassador O'Leary in welcoming all of you to this Regional Seminar. It is a great pleasure to see that so many representatives from the OSCE participating States, OSCE Partners for Co-operation, international organizations, NGOs, private sector and academia have come to join us here for three days to discuss this important topic and to share your expertise and practical experience.

Ambassador O'Leary has already mentioned the devastating effects that corruption can have in countries around the world. Corruption and asset theft are now recognized to be among the world's greatest challenges that impair economies, weaken democracy, fuel public distrust and undermine rule of law. Furthermore, they endanger the stability and security of our societies. The recent uprisings in North Africa are a powerful reminder that failure to curb corruption can directly affect the legitimacy and stability of political regimes. Fighting corruption should be in the interest of every government as a means to enable sustainable development, ensure social peace and avoid internal conflicts.

For these reasons, the fight against corruption including the recovery of corruption related assets are so high on the agenda of a regional security organization like the

OSCE. In working towards this end, we are guided by the mandates provided to us by a *Ministerial Council Decision on Combating Corruption* and the 2003 *OSCE Maastricht Strategy for the Economic and Environmental Dimension* - a document to which the 56 OSCE participating States have committed themselves and which serves as a basis for all our activities in this field.

Fortunately, we are not alone in addressing these problems. In response to the world-wide need for an effective tool to combat corruption, the international community under the guidance of the UNODC has developed the **United Nations Convention Against Corruption (UNCAC)**. *Chapter V* of the Convention which deals with *Asset Recovery* reflects the common aspiration of countries for more effective co-operation to recover the proceeds of corruption and stolen public assets. Although progress has been made in developing the institutional and legal structures since the UNCAC came into force, much still remains to be done, for example, in the area of international co-operation in recovering stolen assets. To establish closer and more effective international and regional co-operation, strong political will and commitment are essential. Therefore, one of the aims of this seminar is to raise awareness of the remaining barriers and to discuss how some of these can be addressed through increased inter-governmental and inter-agency co-operation.

Ladies and Gentlemen,

Let me also use this opportunity to briefly present to you how my Office is trying to help countries overcome the remaining obstacles:

- Any sustainable effort to counter corruption including asset theft should start by creating an appropriate national legal and regulatory framework based on the relevant international provisions. It is with this in mind that my Office jointly with colleagues from our partner organizations and the OSCE Field Operations, has worked, over the years, to promote the ratification and implementation of the **UN Convention against Corruption**. More specifically, we have provided legal assistance to participating States in adapting national legislations to the requirements of UNCAC and have facilitated exchange of information, knowledge and experience.
- Promoting **asset declaration systems** are another way of detecting illicit enrichment and preventing misconduct and corruption. They can help to increase transparency in public administrations and accountability of public officials including senior executives. They

also prevent conflicts of interest and promote integrity within the public sector. In May this year, my Office together with the colleagues in Bishkek and the OECD organised an “Expert Seminar on Asset Declarations for Public Officials”. It highlighted the role of asset declarations as a potentially important tool to fight corruption in our region.

- **Over the past year, my Office has also been very active in the area of anti-money laundering and countering the financing of terrorism.** We have supported participating States in adopting and implementing the Recommendations of the Financial Action Task Force (FATF). Further activities in the AML/CFT arena have included support to improved inter-agency co-operation and co-ordination both nationally and internationally, the development of technical materials, and public and private sector capacity building, largely within and between national institutions, particularly Financial Intelligence Units (FIUs). In addition, my Office also provides assistance to OSCE participating States in conducting money laundering and financing of terrorism national risk assessments (NRAs).

Let me conclude my introductory statement by stressing the multi-dimensionality and strong interdependency of the issues that we will be discussing. While the link between corruption and asset theft is quite obvious there is also a close link with money-laundering. Money-laundering is often being used as a tool by individuals to hide the profits derived from corruption or other criminal activities. Asset recovery, on the other hand, is the process aimed at tracing these unlawful profits, seize them from the perpetrators and restore them to their rightful owners.

In conclusion: I am pleased and grateful that such a large number of distinguished experts and participants have made the effort to come to Vienna to discuss this timely topic. Events such as the present seminar mark another step towards strengthening our common efforts on asset recovery. It provides a great opportunity to exchange expertise and opinions, share information and build informal contacts. I encourage you all to participate actively in the upcoming discussions and hope that you will benefit from this excellent opportunity.

Let me end by expressing my gratitude to the US Government for their generous financial contribution to the organization of this seminar. I also have the pleasure to invite all of you to a reception I will be hosting immediately after today’s final session. Thank you.