



**Organization for Security and Co-operation in Europe**

**The Secretariat**

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

**Vienna, 5 September 2012**

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

**POLITICAL SEGMENT**

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

Ladies and Gentlemen,  
Distinguished Participants,

We have concluded two days of intensive technical deliberations which in my view have been extremely fruitful. This is due to the excellent presentations and contributions of our speakers and participants as well as to the able leadership provided by the moderators who have guided the discussions in each session towards relevant outcomes for our organization. I thank you all for that. Let me also use this opportunity to thank once again the US for providing its financial support to this seminar.

Many times over the past two days we have heard about the devastating effects that theft of public assets can have on the development and prosperity of countries. We have also discussed international initiatives and the creation of regional networks aimed at raising the effectiveness of asset recovery efforts and we have identified the numerous challenges that still lie ahead but also heard of encouraging progress being made in a number of jurisdictions. I sincerely hope that this seminar has deepened knowledge of practitioners about the possible ways to improve co-operation in pursuing asset recovery cases and in bringing them – more often than today is the case – to a successful conclusion.

The task at hand now is to mobilize political will of OSCE participating States and Partners for Co-operation to step up efforts aimed at strengthening the existing asset recovery framework at the regional level. The OSCE, as a regional political organization with a broad membership, can be a useful platform in this regard.

Let me briefly turn now to what in my view are some of the most important findings that emerged out of our two days of deliberations:

**Firstly:** as was already rightly pointed out by Ambassador O’Leary, international legal instruments, such as the *UN Convention against Corruption (UNCAC)* and the *UN Convention Against Transnational Organised Crime (UNTOC)*, and their proper implementation are of great importance. In this regard, the OSCE together with the other co-organizers of this seminar must continue to advocate and promote the ratification and effective implementation of such instruments through *inter alia* awareness-raising and capacity-building activities. We should also help countries ‘institutionalise’ and ‘internalise’ the provisions of these instruments and inscribe them into their national laws and practices.

**Secondly:** in order to prevent stealing of public assets by public officials, participants in the seminar agreed that the promotion of transparency in government structures is an important pre-condition. In this regard, we spoke about ‘financial disclosure’ as a tool to identify Politically Exposed Persons (PEPs). Putting in place an effective ‘asset declaration system’ at the national level reminds public officials at all times of financial interests that may conflict with their duties. Disclosing information about assets of politicians and senior civil servants would also show to the general public that they have nothing to hide and thus help prevent “conflicts of interest”. Finally, in case there are justifiable doubts surrounding the integrity of a PEP or if there is a well-founded suspicion of misconduct of an official, having an asset declaration system in place can be used to clarify the full scope of illicit enrichment by providing additional evidence.

Let me express a note of caution though. While asset declarations are an important tool – one among several – that can help prevent corruption, they cannot deliver alone. Embedded in a solid and transparent political context however, a well-designed and operational system of asset declarations can constitute an important element of the overall anti-corruption and integrity system of a country.

**Thirdly:** it was agreed that the prevention of asset theft is not only the responsibility of Governments but that also private sector (financial institutions, banks and other stakeholders) have an equally important role to play and responsibility to carry. In this regard, we discussed the need for enhanced due diligence and the introduction of “know your customer” requirements for financial institutions. Knowing who you are doing business with can prevent banks from inadvertently facilitating money laundering. If effectively implemented, these measures can act as a deterrent to corruption and ensure more accountability in both the public and private sectors.

Finally, a common shared view that was expressed by participants is that the complex and multi-faceted character of asset recovery makes it a process that requires high levels of technical expertise and the existence of a far-reaching and very effective international co-operation framework. Countries involved in asset recovery endeavours must also have the judicial capacity and legal infrastructure in place to effectively address illicit flows generated through corruption, including laws and procedures dealing with mutual legal assistance (MLA). The appointment of designated national focal points and the establishment of regional networks were highlighted as important measures needed to make stolen public asset recovery processes in our region more effective. While parts of the OSCE region are covered by such ‘networks’ (CARIN being the most prominent example) other parts of the region currently do not have this at their disposal. Could efforts be made to expand existing networks or create new ones? I leave it up to you to explore and discuss such options in more depth in the further course of this morning.

Before I conclude I would like to encourage you to make the fullest possible use of this plenary session and to be as concrete and forward looking as possible in the proposals and recommendations you will make.

Thank you.