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ANTI CORRUPTION CONFERENCE

Developing trends in combating corruption, money laundering and recovering criminal assets in Europe

20 - 21 October 2015, Prague

Conference report

www.eeagrants.cz/anti-corruptionconference

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Background

The capacity of the main conference hall in Top Hotel Prague was almost fully used (source: Mertel).

The International Conference ***"Developing trends in combating corruption, money laundering and recovering criminal assets in Europe"*** was planned as a forum for professional debates on major trends and challenging new international anti-corruption, anti-money laundering and asset recovery standards. As one of the most important EEA and Norway Grants events in 2015, the attendees included practitioners, experts, policymakers and other stakeholders, including civil society, from grant beneficiary states and the Council of Europe's Member States.

The Conference was structured in five themes which were approached successively, each in one dedicated session. In each session there were presentations by a panel of experts followed by discussion and questions from the floor. A moderator and a rapporteur were assigned to each session.

In the first day of the Conference, a working group split off to discuss the new items brought to the Anti-Money Laundering (AML) international standards (mainly the 4th EU AML Directive) in a parallel session.

The event was organized by the Ministry of Finance of the Czech Republic, in close cooperation with the donors (represented by the Financial Mechanism Office in Brussels, the Royal Norwegian Embassy in Prague) and the Council of Europe.

Czech Minister of Finance Mr Andrej Babiš together with State Secretary Ms Elsbeth Tronstad from Norway and Director General Mr Philippe Boillat from the Council of Europe in the opening part of the conference (source: Mertel).

Opening session

Mr Andrej Babiš

Minister of Finance of the Czech Republic

The Minister emphasised the importance of the event given that corruption is one of the most negative phenomena for the economies of all states and results in enormous costs for the public sector.

It was said that the Czech Republic has for many years been considered an example of a country impacted by corruption causing great problems for the economy and society.

Minister Babiš said that it cannot be tolerated that the country is perceived increasingly negatively in the eyes of partners and foreign investors, and Czech companies that move their businesses elsewhere.

The Minister also emphasised that a new bill had been passed in the Czech Republic, making public administration more professional and protecting civil servants from political influence.

The need for states to observe the OECD directive recommendations on transfer pricing was stressed as a way to achieve more revenues for the state budget.

The preparation of a new Public Procurement Act in the Czech Republic and a bill to more precisely regulate the funding of political parties and ensure higher transparency are on the political agenda, the Minister said.

A bill inspired by the EU AML/CFT regulations to achieve better transparency of legal entitles and their ownership structure is also under preparation.

The Minister emphasised that the cabinet wants to create an environment where the public sector gives the impression of fairness, respectability and reliability in the eyes of the public and our partners abroad. The Conference was considered a way to exchange our experience, knowledge and good practices.

Ms Elsbeth Tronstad, State Secretary, Ministry of Foreign Affairs, Norway

Ms Elsbeth Tronstad

State Secretary, Ministry of Foreign Affairs, Norway

The State Secretary emphasised that a democratic system relies on trust between authorities and the people, and transparency and openness are essential for this trust to exist. Transparency is also needed so that authorities and politicians can be held accountable. Civil society and non-governmental organisations have an important role to play in the fight against corruption, so do academia and the media; they advance knowledge, uncover information and play a key role as critical voices.

Ms Tronstad informed that Norway has led a network of corruption-hunters over the last 10 years, comprised of investigators and prosecutors as well as heads of anti-corruption agencies in about 20 countries. Through this network, it has become evident that when politicians and other elected officials are corrupt, the people stop believing in democratic institutions and processes.

The State Secretary stressed that the donor states of the EEA and Norway Grants have a high awareness around risks of corruption and mismanagement within the Grants, and have entered into a partnership with Transparency International. A risk management strategy has also been developed.

Finally, while 'good governance' is not in itself a separate programme area, it is an integral part of all grant activities. A number of programmes and projects focus on improving public governance in the beneficiary states. A substantial number of projects funded through the NGO programmes under the EEA and Norway Grants are also addressing issues linked to good governance, transparency and anti-corruption.

Mr Philippe Boillat

Director General, Directorate General Human Rights and Rule of Law, Council of Europe

Mr Boillat opened the Conference, stressing the main Council of Europe (CoE) messages: the need for a renewed commitment by all Member States to tackling corruption and money laundering in all their forms, as no other crimes do more to undermine the political stability and economic growth of our states by spoiling legitimate resources and undermining public trust in the executive, legislative and judicial powers.

Acknowledging the importance of preventing and combating economic crimes, the Council of Europe provides a full package of support to its Member States by employing a triangular approach: standard-setting, through conventions, recommendations and guidance; monitoring, executed by its monitoring bodies GRECO and MONEYVAL; and technical assistance in legislative reforms, effective implementation and international cooperation.

The Council of Europe is ready to continue to support actions aimed at enhancing states' capacities to prevent and fight these threats. International cooperation, sharing good practices and challenges encountered in the efforts to achieve a higher level of transparency in political life, efficient prosecution of corrupt officials, successful implementation of the anti-money laundering preventive measures and effective asset recovery systems are a "must", as all these principles are undeniable conditions for democracy and rule of law.

Theme I: Transparency of Political Funding and Lobbying

Rapporteur: ROBERT BŘEŠŤAN

Journalist, Political Analyst, Commentator, Czech Republic

Panellists of opening session Transparency of political funding (source: Mertel).

Transparency of political funding

The transparency of political funding section benefited from experienced speakers representing politicians: Ms Chiora Taktakishvili, member of the Parliamentary Assembly of the Council of Europe, Parliament of Georgia, Mr Jiří Dienstbier – Minister of the Czech Republic for Human Rights, Equal Opportunities and Legislation, Chairman of the Government Legislative Council; high level practitioners: Mr Yves Marie Doublet - Head of the Department of Public Procurements and Legal Affairs of the Administration of the French National Assembly; and experts from international organisations: Mr Christophe Speckbacher – Council of Europe (GRECO Secretariat).

Ensuring the transparency of political funding and the transparency of lobbying continues to be a major challenge for the majority of European states, including the Czech Republic.

It is fact that 57% of people in the EU - according to a Eurobarometer survey - think that "giving and taking bribes and the abuse of power are widespread among political parties. 56% think the same about politicians at regional, national or local levels".

Therefore, one of the questions raised during the Conference's debates was how to change the feeling that politics is sort of a "dirty game"? A transparent approach to lobbying and political financing are key elements.

On the topic of political financing there are plenty of different approaches across Europe. From states where anonymous and cash donations are accepted (such as Denmark, Malta or the Netherlands) to states where donations from private companies are prohibited (Belgium, Poland, France, Portugal...).

Yet many other areas of concern were identified during the Conference discussions, such as the loans used as a way to circumvent the ceiling on donations or the high threshold for donations.

A very important topic of the debates in Prague was the involvement of third parties in campaigns (think-tanks, unions etc.). It is now clear whether establishing a ceiling for third parties would be helpful and, if so, how to do it in the right way.

If there were rules on party and electoral campaign funding, there would also be a strong need for monitoring the implementation of rules, and here again there are different solutions to supervision applied by the states: by parliament; by bodies entrusted with the task of receiving/checking declarations of assets and interests; an audit body, bodies entrusted with anti-corruption competences and civil society. The Conference debates concluded that in many states where

supervision is divided into multiple parts this negatively impacts effectiveness.

The GRECO contribution to the Conference brought to the attention of the audience that while the third evaluation round on party financing identified many loopholes in the rules of the Member States, some of them have successfully amended their rules since the evaluation. However, further steps must be taken as the issues of transparency, monitoring and sanctions are closely interconnected. No sanctions may be imposed without an efficient monitoring body, and no efficient monitoring may be carried out without transparency.

Another important topic touched upon in Prague was corruption in connection with the "everyday life" of political parties, and the so-called *quid pro quo* donations, where MPs are under an obligation to behave – or have explicitly or implicitly agreed to behave – in a certain way in return for donations. Such contributions shape the future behaviour of parties and MPs and the misuse of state resources. This risk could be mitigated not only by political finance regulations but also through internal parliamentary rules. In this regard, the debates led to the idea that a balanced system of political funding is the best option. Often simple solutions are tried, such as making parties entirely state funded, but this does not appear to solve the problem (and, on the contrary, may create more harm). On the other hand, a system predominantly based on private donations might lead to excessive dependence on donors.

Internal corruption within political parties (payment for placement on the list of candidates) was another item on the agenda at the Conference. Internal corruption is an important threat to the credibility of the political system as it puts the legitimacy of those elected under question.

The important role of the civil society and an independent plural media was underlined in the context of transparency of political party funding.

It is worth mentioning that the Conference coincided with the day the Czech Parliament started to debate the adoption of legislation on the financing of political parties, including: expenditure limits on election campaigns; limits for gifts from natural persons and legal entities; and an obligation to finance an election campaign using a transparent account. An independent control body will be established by the same legal act.

<u>Lobbying</u>

The panellists included the main stakeholders in the field: academia (Mr Luís de Souza – Researcher, University of Aveiro, Portugal and Dr Raj Chari - Department of Political Science, Trinity College Dublin) and civil society (Mrs Guro Slettmark, Secretary General, Transparency International Norway and Ms Ivana Dufková – Project manager, Transparency International Czech Republic).

Lobbying is a challenge to the transparency of the legislative process in all of its stages. Legislators and members of parliament (MPs) are particularly vulnerable to potential conflicts of interest and other corruption-related risks that may arise as a result of opaque lobbying regimes.

It is probably true that "you will never see two people agree on the definition of lobbying". Yet one

thing is clear: it is an attempt to influence political decisions.

It is a fact that lobbying is not regulated in most EU Member States. Yet the Conference discussions led to the conclusion that even in the absence of legislation on lobbying, the Member States should introduce rules or guidelines providing some formal regulation on how the issue of impartiality should be considered.

Dr Raj Chari, Trinity College Dublin, focused in his contribution on lobbying (source Mertel).

Some Member States are considering a scheme of registration of who MPs meet and what issues were discussed in the public interest. Moreover, representatives of civil society consider that the register should be publicly available.

Other arguments consider that such registration would be an impediment to the (already slow) legislation process, would bring additional bureaucracy, would create issues related to its maintenance and resources, and would run the risk of driving lobbying out of parliament and behind closed doors, or of creating an even higher barrier between MPs and the public.

A balance should, however, be considered because while lobbying can improve policymaking by providing valuable data and insights, it can also lead to influence from interest groups and private interests.

The story connected with lobbying is not black and white.

A growing number of professional lobbyists and corporations are committing to higher ethical standards in their interactions with government, and are in fact supportive of reforms, recognising the moral imperative but also the benefits to reputation and the need for a level playing field.

Some recommendations emerged from the Conference's debates: regulate lobbying, introduce a register of accredited lobbyists, publish lobbying contacts and the business agendas of cabinet members and senior officials, regulate gifts, travel, hospitality and other special benefits, extend cooling-off periods, strengthen supervision bodies, introduce a 'legislative footprint' that allows tracking the evolution of the legislative process, and adopt codes of conduct for elected officials.

Theme II: Preventing and Combating Judicial Corruption

Rapporteur: MARIUS BULANCEA

Counsellor of the Chief Prosecutor of the National Anti-Corruption Directorate, Romania

Ms Lenka Bradáčová, Chief Public Prosecutor, Czech Republic (source: Mertel).

The panel had a very diverse selection of speakers, covering a variety of players involved in the proper functioning of the judiciary systems, including Mr Christian Manquet – GRECO Vice-President, Ms Nina Betetto - Vice-President and Judge of the Supreme Court, Member of the Consultative Council of European Judges, Slovenia, Mr Giedrius Būdvytis – Special Investigation Service of the Republic of Lithuania, and Dr Lenka Bradáčová – Chief Public Prosecutor, Czech Republic.

The main theme of the debate, as underlined by all the speakers, was the importance of a clean judiciary for a functioning society.

Judges and prosecutors are the ones who are expected to enforce ethical standards throughout society and – as one of the speakers eloquently mentioned – when judges are corrupt, people have no one to turn to. Thus, ethics equals freedom for a judge or prosecutor, because it leaves them the possibility of choice.

Achieving these goals requires a strategic, holistic approach and there was less unanimity on the means that can take us there.

One thing that all the speakers agreed on was that there is no single solution that fits all cases. Each country has its specifics, determined by its history, traditions and values, and so any attempt to alter the status quo must take these into consideration.

Thus, the audience was told that the GRECO international evaluators are trying to make tailor-made recommendations in each of their country reports monitoring compliance with Council of Europe standards.

The actual measures that the speakers mentioned while presenting their country's experience or the international situation regarded either enforcing procedures related to the functioning of the system, or focusing on the individual, by raising awareness and providing training and guidance.

As another speaker said, one can seek the best system but we must also keep in mind the relationship between the quality of the institutions and that people working within those institutions.

Thus, the Conference debates agreed on the importance of setting ethical rules, codes of conduct, defining conflicts of interest and establishing a system for the declaration of assets.

These were canvased against the international standards, such as those prescribed by the Council of Europe's Convention on Corruption or the Bangalore Principles of Judicial Conduct.

Mechanisms that would strengthen judicial councils or increase the transparency of procedures were

also discussed, as well as the importance of achieving mechanisms that would balance the independence and accountability of the judiciary.

It has been noted that the independence of the judiciary is not a privilege but a necessity, and the difficult issue of finding the right checks among the three powers was addressed.

Transparency is essential for public trust, thus procedures must be adopted that eliminate perceived arbitrariness in the distribution of cases, the rotation of judges and prosecutors, or their promotion.

New developments were presented in an area that is usually unenthusiastic about innovations, such as liability of a court or prosecutor's office where a corruption offense took place, or adopting a strategic approach based on the identification of threats and vulnerabilities in the area of judicial corruption.

Public trust in the judiciary is a key requirement to achieve rule of law, and that means that apart from the observance of standards, the appearance of integrity amongst the judiciary is of paramount importance. "Not only must justice be done, it must also be seen to be done", as Gordon Hewart said.

Whistleblower protection was one of the crucial issues of the conference (source: Mertel).

Theme III: Whistleblower Protection

Rapporteur: MARK WORTH

Investigative journalist, whistleblower advocate, public interest activist, publisher

The panel was opened by moderator Lenka Franková, analyst at the Czech NGO Oživení. Ms. Franková said government officials and NGOs are currently working to develop draft whistleblower protection legislation for the Czech Republic, and that whistleblowing is one of the four main priorities of the country's current anti-corruption action plan.

Research points to the need for strong legal protections for people who report crime and corruption in the Czech Republic. In a survey of 40 whistleblowers, Franková said all but one was exposed to retaliation, and that half lost their jobs. Two thirds of employees who were aware of wrongdoing did not report or disclose it, out of fear of retaliation or in the belief that nothing would come of their report.

An overview of a range of international trends and developments was presented by Mark Worth, director of the International Whistleblower Project at Blueprint for Free Speech, an international NGO based in Berlin and Australia.

About 20 national whistleblower laws have been passed since 2010, and about 30 countries are currently considering or debating legislation – making up one fourth of all countries. Worth said that this is a "transformative time" for the issue. In Europe alone, laws recently have been passed in Bosnia and Herzegovina, Ireland, Kosovo, Luxembourg, Malta, Serbia, Slovakia and Slovenia.

New standards and principles for whistleblower laws and policies have been developed by many organizations, including the Council of Europe, OECD, Organization of American States, Government Accountability Project, Transparency International and Blueprint for Free Speech. Worth said these standards are working and that they are beginning to appear in national laws and bills.

Governments have recovered billions of dollars in lost and stolen money because of the efforts of whistleblowers – including $5 billion alone stemming from the case of UBS whistleblower Bradley Birkenfeld. A growing number of victimized whistleblowers, in all regions of the world, have been reinstated to their positions and/or financially compensated for their losses.

There is a need for strong legal protections for people who expose crime and misconduct in the national security, intelligence and military fields, Worth said. This is a position held by many NGOs and researchers.

Dr. Ondřej Závodský, Deputy Minister of Finance of the Czech Republic, related his personal story of exposing contract, procurement and financial irregularities at the Ministry of the Interior. After reporting the information, Závodský was retaliated against when the ministry dissolved his

department. He said the media played a critical role in his reinstatement. A colleague who was also fired won his unfair dismissal case in court.

Závodský has urged the Czech Republic to pass a whistleblower protection law that includes strong anti-retaliation measures and ample compensation for victimized whistleblowers. "I hope we can rise above our historical heritage," he said, "and take a step into the future."

An example of a national whistleblower framework was presented by Ms Birthe Eriksen, University Lector at the Norwegian School of Economics. Whistleblower protection provisions were included in 2007 in Norway's Working Environment Act. The law gives employees the right to disclose misconduct and be protected from retaliation, and it requires employers to implement internal whistleblower systems.

However, the law and Norway's whistleblower framework need many improvements. The Working Environment Act is not a comprehensive whistleblower protection law; there is no national whistleblower disclosure channel; regulators lack the resources and capacity to enforce the law; some judges and lawyers lack sufficient knowledge; and the law does not cover all employees. "We have a long way to go," Eriksen said.

Presenting an example of how NGOs are supporting whistleblowers and investigating their disclosures was Jelena Stojanović, a whistleblower lawyer at the Belgrade-based organization Pištaljka ("Whistle"), which advises and represents whistleblowers, including in their legal cases, has recently established a hotline for whistleblowers, and which has already received hundreds of reports.

Stojanović said Pištaljka has published more than 400 articles based on information provided by whistleblowers – including the case of a government official who failed to publicly disclose property ownership, leading to an investigation by authorities.

Since Serbia's new whistleblower protection law was implemented in June 2015, Pištaljka has assisted four whistleblowers with their court cases. More than 1,000 judges have been trained in whistleblower protection issues.

Theme IV: Key Challenges in Implementing the New Anti-money Laundering Standards

Rapporteur: JAN MACHÁČEK

Commentator and Analyst, Czech Republic

Panellists of the session Key challenges in implementing the new anti-money laundering standards (source: Mertel).

The panel Key Challenges in Implementing the New Anti-money Laundering Standards covered three areas of significant change in international standards: the national risk assessment (NRA); the transparency of legal persons through the creation of centralized national registers of beneficial ownership (BO) information; and increased diligence in screening the PEPs. The speakers were high-level practitioners representing a diverse set of states and diverse institutions:

- Ministry of Justice: Mr Atle Roaldsøy - Special advisor, Ministry of Justice and Public Security, Norway,
- Financial Intelligence Units: Mr Arakel Meliksetyan - Deputy Director, Armenian FIU, Mr Boudewijn Verhelst - Deputy Director, Belgian FIU, Ms Elena Scherschneva-Koller - Head of the Austrian FIU, Mr Nedko Krumov - Head of the Analytical and International Relations Unit, Bulgaria,
- financial supervisors: Mr Philipp Roeser, Liechtenstein, MONEYVAL Scientific Expert and
- the private sector: Mr Frédéric Cottalorda, Monaco, MONEYVAL Evaluator.

The panel discussing the National Risk Assessment was an opportunity to share good experiences and challenges in implementing this new obligation. The Norway experience in the matter showed that while assessing vulnerabilities with a robust and critical view, one objective was achieved, during the implementation of which the experts found meaningful data enabling them to reach meaningful conclusions, but other areas were more difficult. The absence of a commonly agreed and practically tested NRA methodology was considered to be another challenge. The debates demonstrated that better analytical capacity is needed at state level, and more specialists from various institutions should be aware of the necessity of conducting an NRA and should be actively involved in the process. A more important role in NRA implementation should be given to the financial supervisors and to the private sector, which was considered to be only marginally involved.

In addition, the debate concluded that the NRA should necessarily contain a section of recommendations for public institutions and for the private sector on practical measures to be taken in order to minimise vulnerabilities. A plan of actions to be taken to address the risk was considered essential.

The second thorny subject for the debates in Prague was the transparency of legal entities and trustees (the so-called beneficial ownership (BO) information). The new standards introduced an

Parallel round-table session to the implementation of the 4th AML Directive (source: Mertel).

obligation for companies or legal arrangements to hold adequate, accurate and up-to-date information on their beneficial owners, which should be available to some law enforcement agencies. Speakers looked to the new provisions of the 4th EU AML Directive for answers to questions such as: how beneficial a central BO register would be; how BO information can be kept adequate, accurate and current; and how the Customer Due Diligence (CDD) process can be adapted to the new sets of data and information. The debates led to the conclusion that the obliged entities should not rely exclusively on the central register to fulfil their CDD requirements and, therefore, that accessing registered information might be more burdensome than requesting it from the customer directly. However, a central register would be of great help as a starting point for the financial institutions in identifying the parties involved in a company or in a legal arrangement (such as trusts). Another very significant conclusion was that identifying and sanctioning "inaccurate BO information" is a prerequisite for an effective and transparent mechanism, and the difficulties in identifying the BO should trigger a Suspicious Transactions Report (STR).

The third item covered by the AML panel referred to Politically Exposed Persons and the debates revolved around the main questions that have haunted the financial community since the adoption of the 4th EU AML Directive:

- Who is a PEP? – domestic political and administrative figures, internationals, foreigners?
- To what extent should a financial institution consider a PEP's family members and associates, and how to find ways to identify them?
- For how long would a PEP continue to be considered a PEP after leaving office?

The discussions were interesting, involving the two main "sides" in the PEP's identification process as the panel consisted of both representatives of the private sector and the specialised public authorities. The solutions that emerged from the debates included the private databases available on the market, the national assets disclosure databases (obligations deriving from anti-corruption legislation) and the classical CDD procedures.

The audience very much appreciated the trends and typologies presented by Mr Krumov at the end of the debates:

- Usage of offshore companies to move funds;
- Increasing number of PEP investments in luxury real estate and private business companies;
- Discrepancies between declared wealth and invested funds;
- Usage of proxies, related persons and legal entities;
- Usage of bank accounts in states with a high level of banking secrecy.

Theme V: Asset Recovery

JENS MADSEN

Former Director General, State Prosecutor for Serious Economic and International Crime, Denmark

The panel on Asset Recovery benefited from the expertise of high-level practitioners in the field from very diverse areas of Europe: Mr Jean-Michel Verelst, Central Office for Seizure and Confiscation Belgium; Mr Dimo Grozdev, Commission for Illegal Assets Forfeiture, Bulgaria; Mr Pier Attilio Stea, Deputy Public Prosecutor, Italy; and Mr Ivo Škrobák, Ministry of Interior Asset Management Specialist, Czech Republic.

Since organized crime activities are profit-driven, only an efficient recovery, freezing and confiscation regime can deprive the criminals of what they have worked to acquire, and thus achieve the objective that "crime should not pay". Therefore, tracking and recovering illicit money has been a political priority at international level since the 1990s.

The participants in the Asset Recovery panel of the Conference discussed a number of important issues related to search, seizure and confiscation of proceeds from crime.

Non-conviction based confiscation: FATF Recommendation 4 states that "Countries should consider adopting measures that allow proceeds or instrumentalities to be confiscated without requiring a criminal conviction, or which require an offender to demonstrate the lawful origin of the property alleged to be liable to confiscation, to the extent that such a requirement is consistent with the principles of their domestic law". However, this principle has its legal roots in a common-law based system and not too many European states have adopted this principle in a stringent way. The panel discussions concluded that states are actively considering the applicability of this principle to their national legal traditions.

Extended confiscation: The issue of extended confiscation was regarded as a valid alternative to non-conviction based confiscation. The concept of extended confiscation is included in Directive 2014/42/EU of the European Parliament and of the Council, according to which "there may be situations where it is appropriate that a criminal conviction be followed by the confiscation not only of property associated with a specific crime, but also of additional property which the court determines constitutes the proceeds of other crimes". Article 5 of the Directive establishes a minimum list of crimes the extended confiscation should apply to. The conclusion reached by the experts during the Conference was that states should apply the article in the most efficient and inclusive way possible. The principle can be applied, for example, by reversing the burden of proof and putting the onus on the suspected person if assets disproportionate to the income, etc., of the suspected person are identified.

Confiscation from third parties: This issue is not new but still very important. Arrangements of a fictitious nature or pro forma arrangements are common in efforts to avoid seizure and confiscation. This issue is dealt with by several legal acts, most recently by the EU Directive of 2014. The

discussions led to the conclusion that states have efficient rules on seizure/freezing and confiscation from third parties, however, naturally still respecting the rights of bona fide third parties.

Asset management: The concept was discussed in the context of asset management and in the light of the importance of the assets/property not losing value while in the possession of the state. If the property loses value, this will be to the disadvantage of the injured parties or the victims of the crime. The possibility to develop specific mechanisms to deal with frozen property was explored, as some EU Member States already have positive experience in this regard.

Continued tracing of property after conviction: The workshop discussed the fact that suspected persons often hide property throughout the entire duration of criminal proceedings. As a result, confiscation orders cannot be executed. The panellists said that states should be able to detect and trace property even after a final conviction for a criminal offence to ensure the effective execution of a confiscation order. This could mean that, for example, search warrants could be issued or production orders against financial institutions to reveal financial trails.

Asset Recovery Offices (ARO): Last but not least, the panel debated the importance of national Asset Recovery Offices as well as international networks of AROs. The creation of national specialized units is a prerequisite for establishing a really efficient asset recovery framework – both nationally and internationally. The Conference discussions led to the following recommendations in relation to Asset Recovery Offices:

- Specialized national units need to be established;
- The units should preferably be members of a relevant international network – in Europe the CARIN network and the ARO Platform;
- The units need to be promoted through different "marketing" initiatives. This is even more important if a unit is not organized as a law enforcement unit;
- Special training together with the relevant police and prosecution services, as well as national FIUs, is necessary;
- Flexible information exchange mechanisms between AROs, FIUs and law enforcement need to be in place;
- The national AROs could/should play a key role in international cooperation in the field of asset recovery, including in relation to joint investigation teams, mutual recognition and asset sharing.