



Mexico City, Mexico  
October 3-5, 2018

**12<sup>th</sup>** meeting of the **INTOSAI Working Group on**

**Fight against Corruption  
and Money Laundering (WGFACML)**

# WGFAMCL Asset Recovery Subgroup





# Background

- WGFACML's 2014-2016 Work Plan approved Asset Recovery Guideline initiation, as well as several other new guidelines
- Current subgroup members: AA2
  - USA (Chair)
  - Egypt
  - Poland
  - Tanzania

### Slide 3

---

**AA2** T, I removed Indonesia as they never participated.

I left Egypt and Poland. See what you think. Would it be better not to list the subgroup members?

AMA; 25/09/2018



# Goals for the Asset Recovery Guideline

- Useful toolkit for SAI auditors
  - Best practices, strategies and actions
  - Actionable guidance
- Brevity and clarity
- Well supported, high quality and consistent with documents produced by our international partners



# Status of Asset Recovery Guideline

- Subgroup members (USA and Tanzania) meet regularly (in-person and via VTC)
- Since creating the outline for the guideline, we drafted proposed questions for SAI auditors (samples in following slides)
- Our goal will be to have a full draft of the guideline for the next WGFACML annual meeting (fall 2019)



# Guideline Organization

- Importance of asset recovery and SAI role
- Organized by asset recovery step:
  - Identifying, Freezing, Seizing
  - Confiscation/Forfeiture
  - Repatriation
- Appendix Toolkit – Questions for SAI Auditors to supplement existing procedures



## Sample Draft Questions for SAI Auditors – General

### **What agencies within the SAI's country have responsibilities related to asset recovery efforts?**

- Is there a lead agency or designated unit (which could consist of designees from multiple agencies)? If so, what specific authorities does the agency have and who is responsible for oversight of this agency?
- Does the SAI play an active role in asset recovery efforts (i.e. do they take part in identifying, confiscating or repatriating assets)?
- If applicable, how does the SAI prepare and collaborate with the legislative or relevant authority on any audit findings related to asset recovery?





## Sample Draft Questions for SAI Auditors – General

### **How do these agencies collaborate (within the country) to implement asset recovery?**

- Do they have any necessary memoranda of understanding (or other agreements) in place in order to share information and collaborate?
- Have any related working groups or task forces been established?
- Do they collaborate informally?
- Do the agencies have a documented plan for asset recovery and how to collaborate on these efforts?
- Does the plan include periodic monitoring of these agencies' efforts?



## Sample Draft Questions for SAI Auditors – General

### **Do the agencies involved have sufficient resources and expertise?**

- Do relevant agencies have dedicated budgets and staff allocated to asset recovery?
- What training or other educational resources do agencies provide to relevant personnel?
- Has the SAI country been involved in working with the Stolen Asset Recovery Initiative (StAR) – for example, have they requested technical assistance from StAR?

### **What technical assistance or training do agencies (e.g. financial centers) provide to other countries?**



## Sample Draft Questions for SAI Auditors – Identifying/Freezing/Seizing Assets

**To what extent are there clear policies and procedures for seizing assets (i.e., initiating asset seizure, gathering and tracing assets, securing assets, and setting and enforcing court orders)?**

- Do the policies and procedures include timeframes and resource thresholds for each part of the process as well as roles and responsibilities?
- To what extent do the policies and procedures mitigate unnecessary duplication, overlap and fragmentation?

**Does the SAI have a role in identifying stolen assets and the parties involved in the matter?**



## Sample Draft Questions for SAI Auditors – Repatriation

### **To what extent has the SAI's country been involved in repatriation, e.g. are there any available cases for review?**

- When repatriation has been successful, what have been common agency practices, or interagency and international collaborative mechanisms?
- When repatriation has been unsuccessful, what have been areas for improvement?

### **What legislative measures are in place to enable the return of confiscated/forfeited property?**

- Does the SAI have the ability to recommend legislative action in this area?
- For requested countries (i.e. financial centers), do the agencies involved have the legal authority to return 100 percent of stolen assets?



## Sample Draft Questions for SAI Auditors – Repatriation

AA4

**How do the agencies involved track the ultimate disposition of any confiscated assets (i.e. are they retained or repatriated)?**

- Are there related policies and procedures?
- Who provides oversight?

**What data does the agency collect on asset confiscation/forfeiture vs. asset repatriation?**

- How are these data used?

**Has the SAI's country successfully requested and received repatriated funds before?**

## Slide 12

---

**AA4** Q9/10 - seem redundant to me. I included them both so you could have option. I think the [ ] could apply to either. You can include the [ ] if you want to mention the GAO fraud risk framework - or you could delete that if you don't want to get into that (and just leave internal control standards)

AMA; 25/09/2018



Comments or Questions?

**12<sup>th</sup>** meeting of the INTOSAI Working Group on

**Fight against Corruption  
and Money Laundering (WGFACTML)**

