



The StAR Initiative

Mark V. Vlastic
The StAR Secretariat
The World Bank Group

What do these men have in common?



**Mohamed
Suharto**

President of
Indonesia
1967-1998

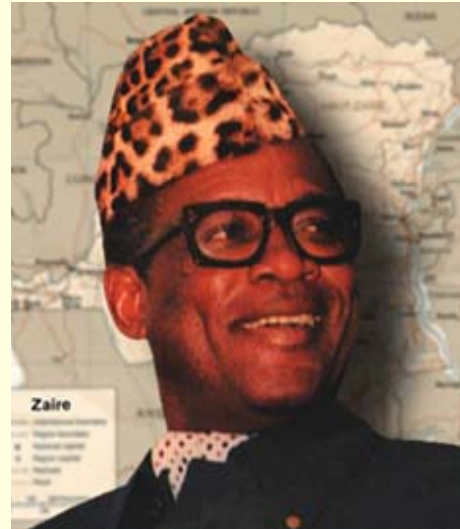
\$15-35 billion



**Ferdinand
Marcos**

President of the
Philippines
1972-1986

\$5-10 billion



**Mobutu
Sese Seko**

President of
Zaire
1965-1997

\$5 billion



Sani Abacha

President of
Nigeria
1993-1998

\$2-5 billion

Motives for Launch of StAR

September 17, 2007

“There should be no safe haven for those who steal from the poor” ... “Helping developing countries recover the stolen money will be key to fund social programs and put corrupt leaders on notice that they will not escape the law.”

World Bank President Robert B. Zoellick.

“This Initiative will foster much needed cooperation between developed and developing countries and between the public and private sectors to ensure that looted assets are returned to their rightful owners”

Secretary General of the United Nations, Ban Ki-Moon.

StAR's Objective

Encourage and facilitate more systematic and timely return of assets stolen by politically exposed persons through acts of corruption

GAC and Global Governance: Shared responsibility for corruption

- ★ Asset recovery requires collaboration between financial centers and victim states
- ★ UNCAC provides a framework for StAR engagement at international and national level
- ★ Success in specific cases – high profile and second tier – is essential to the credibility of StAR, international asset recovery efforts and the global governance agenda
- ★ Improved governance in financial centers likely to have the greatest impact: StAR and asset recovery included in G20 agenda on post-crisis international financial sector reforms

“Donors will take steps in their own countries to combat corruption by individuals or corporations and to track, freeze, and recover illegally acquired assets.” September, 2008. Accra Agenda for Action

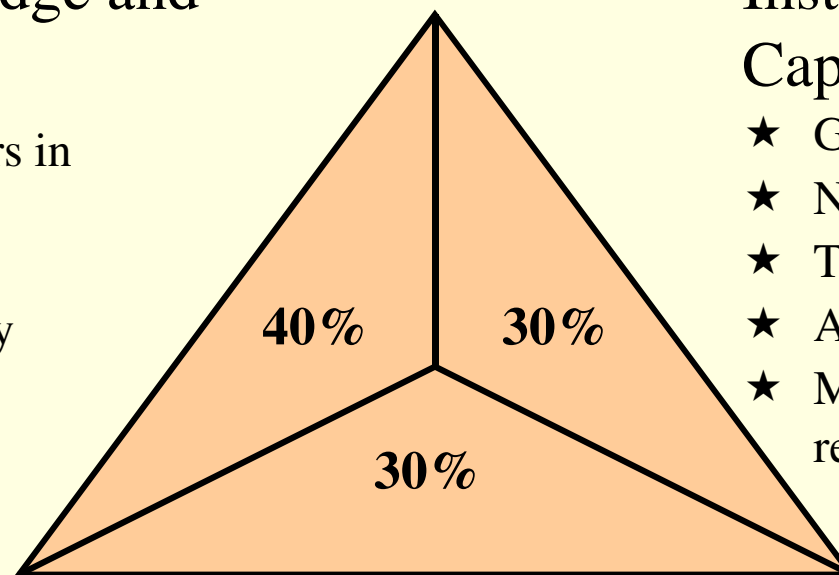
StAR's Three Components

Global Knowledge and Advocacy

- ★ Lowering barriers in financial centers
- ★ Analytic work supporting policy
- ★ Diagnostic tools
- ★ Guides and handbooks.

Institutions and Capacity Building

- ★ Gap Analysis
- ★ Networks
- ★ Training
- ★ Advisory services
- ★ Monitoring the use of returned assets



Country Engagement: Recovery of Stolen Assets

- ★ Sponsoring stakeholder meetings
- ★ Preparatory assistance: audits, financial analysis, legal research, mutual legal assistance.

Global Knowledge and Advocacy: Lowering the barriers to asset recovery

★ How to ...

- ★ Non-Conviction Based Forfeiture Guide
- ★ Asset Recovery Handbook
- ★ Income and Asset Declarations
- ★ StAR-INTERPOL Focal Point List

★ Informing international policy

- ★ Managing Politically Exposed Persons
- ★ Transparency of Corporate Vehicles

★ Targeted Advocacy

- ★ Financial center diagnostics
- ★ Working with international networks and CSOs

NCB Forfeiture Guide

- ★ Identifies the key concepts—legal, operational and practical—that a NCB asset forfeiture regime should encompass to be effective in recovering stolen assets
- ★ Based on the experience of practitioners from civil and common law countries that have developed and used NCB forfeiture
- ★ The First of its Kind → First in the area of NCB Asset Forfeiture and first practical tool to be produced by the StAR Initiative
- ★ Available at www.worldbank.org/star

StAR's assistance to national asset recovery programs

- ✓ Gap analysis, capacity building and training
- ✓ Help countries make informed decisions in their asset recovery programs
- ✓ Facilitate coordination between states parties through dialogue and Mutual Legal Assistance
- ✓ Support the preparation and analysis of information on asset recovery aspects of specific cases

- ✗ **Be involved in litigation or criminal proceedings**
- ✗ **Finance legal representation**
- ✗ **Be privy to confidential information shared by states**
- ✗ **Manage cases or make decisions on the conduct of cases**

StAR's Progress to Date

- ★ Innovative partnership established between the World Bank and UNODC
- ★ Building national teams
- ★ Facilitating dialogue with financial centers and freezing of assets
- ★ Hands-on training to build capacity and mutual trust between practitioners regional and country training
- ★ Developing tools and promoting legal innovations to facilitate asset recovery (eg. Guidance for Non-Conviction Based Forfeiture).
- ★ Developing advocacy agenda aimed at financial centers and civil society
- ★ And...

World Bank Welcomes Swiss Handover of Duvalier Assets to Haiti

■ FOR IMMEDIATE RELEASE:

Available in: [Français](#), [Español](#), [العربية](#)

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Washington, February 13, 2009 – World Bank Group Managing Director Ngozi N. Okonjo-Iweala has welcomed the Swiss order for the US\$6 million of assets allegedly plundered by former Haitian President Jean-Claude Duvalier and associates to be handed over to Haiti. Okonjo-Iweala commended the cooperation and commitment of both governments to the fight against corruption.

Challenges/Opportunities for StAR

- ★ *Political will of victim states to recover assets*
- ★ *Poor communication between victim states and financial centers (lack of trust, capacity and networks)*
- ★ *Archaic institutional and legal frameworks*
- ★ *Problems with PEPs*

- ★ UNCAC Chapter 5 – becoming more used
- ★ Legal innovations of financial centers facilitating asset recovery
- ★ Increasing political pressure on financial centers to take action on asset recovery (Accra, G20)
- ★ Recognition among member states that asset recovery is an essential part of national and global anti-corruption strategy

StAR: Future Projects

- Handbook on Asset Recovery: Guidance for practitioners on each of the steps in the tracing, freezing, confiscation and repatriation of assets.
- Guidance Paper on PEP lists.
- Barriers to Asset Recovery Study.
- Use of Corporate Instruments.
- Income & Asset Declaration Guide.
- See www.worldbank.org/star

StAR IS HERE TO HELP YOU

star@worldbank.org



World Bank and UNODC