



Meeting of G8 Justice and Home Affairs Ministers

Washington – May 11, 2004

RECOVERING PROCEEDS OF CORRUPTION G8 JUSTICE AND HOME AFFAIRS MINISTERIAL DECLARATION

Background

We welcome the finalization, and call for rapid signature, and completion of all necessary steps to ratify and implement the United Nations Convention Against Corruption as a permanent enshrinement of the new global attitude towards corruption. Corruption is unacceptable in any form, and international cooperation is a key element of our respective efforts to combat this scourge. Our governments are committed to translating the words of this convention into effective actions and assisting third countries, particularly developing countries, in accomplishing the objectives of the Convention.

Large scale or “grand” corruption by senior public officials is a particularly serious worldwide problem, with grave consequences especially for developing nations. Despite the staggering sums illicitly acquired in some of these administrations, we have witnessed only limited success in the recovery of these illicitly acquired assets. Since G8 countries contain some of the world’s dominant financial centers, G8 Justice and Home Affairs Ministers have agreed to take the following actions to advance recovery of these illicitly acquired assets, building upon the mandates of the U.N. Convention Against Corruption:

Action

Helping Victim States Recover Illicitly Acquired Assets:

- **G8 Accelerated Response Teams.** G8 countries today commit to utilize and deploy joint teams of forfeiture-related mutual legal assistance experts, in appropriate large-scale corruption cases, at the request of victim states whose assets have been secreted abroad. Teams from countries that volunteer to participate would work with concerned authorities in the victim state on the form and substance of their legal assistance requests – and, where appropriate, assist in underlying investigations such as on developing leads for records and assets located abroad – in order to facilitate quicker action on requests. Practitioners from relevant public authorities would be assembled on a case specific basis and could also include non-G8 country experts, as appropriate.
- **G8 Asset Recovery Case Coordination.** At the request of a state that is a victim of large-scale corruption, G8 countries would also consider establishing case-specific coordination task forces, including volunteer G8 and non-G8 countries as appropriate, to work through *responses to* mutual legal assistance and forfeiture requests.

- **G8 Asset Recovery Workshops.** As appropriate, the G8 will be prepared to convene regional workshops to exchange information and best practices with potential victim states on international financial investigation techniques and on mutual legal assistance procedures to recover and, as appropriate, return assets to victims. Such efforts would be undertaken in coordination with existing regional and international organizations, and specialized agencies such as the UNODC.

Ensuring G8 Countries Have Laws and Procedures to Detect, Recover and Return Proceeds of Corruption:

- **Ensure Each G8 Country Has Rules in Place by Summer 2005, Where Possible, to Require Enhanced Due Diligence for “Politically Exposed Persons” Accounts.** G8 Leaders agreed last June at their Summit in Evian to require that G8 financial institutions establish procedures and controls to conduct enhanced due diligence on accounts of "politically exposed persons", and thereby to detect and report transactions that may involve proceeds of foreign official corruption. By Summer 2005, where possible, G8 countries will implement the Evian commitment on enhanced due diligence for “politically exposed persons” accounts.
- **Ensure Each G8 Country Has Rules in Place Preferably by 12/31/04 to Require Wire Transfer Originator Information.** Since October 31, 2001, FATF Special Recommendation VII has directed nations to implement measures to require financial institutions within their jurisdictions to provide accurate and meaningful information on the originator of wire transfers, to maintain that information throughout the payment chain, and to apply enhanced scrutiny to transfers that do not contain complete wire originator information. Preferably by December 31, 2004, G8 countries will implement the FATF recommendation on wire transfer originator information.
- **Create G8 Best Practices for Modalities of Disposition and Return.** The G8 will work through the Lyon/Roma group to generate best practices, including through a review of experiences to date, so that when illicitly acquired assets are returned, they are administered with transparency and effectiveness. Such guidelines will identify a range of options with model language for potential agreements.
- **Explore Effective Measures to Recover Assets in Corruption Cases.** The G8 will examine through the Lyon/Roma Group options for the successful recovery of illicitly acquired assets so that death, fugitivity, and immunity of the suspected foreign corrupt official are not bars to the recovery of proceeds, taking into account domestic legislation.

The Lyon/Roma Group will develop such further modalities as are necessary for the implementation of this Declaration.

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