



CiFAR STRATEGY

2020-2023

Published: 2020, CiFAR – Civil Forum for Asset Recovery e.V.

CiFAR – Civil Forum for Asset Recovery e.V.,

Köpenicker Str. 147, Berlin, Germany

cifar.eu



CONTENTS

- BACKGROUND AND CHALLENGES 2020 1
- VISION, MISSION & THEORY OF CHANGE 4
- OUR PREVIOUS STRATEGY 7
- TOWARDS 2023: OUR NEXT FOUR YEARS 11

BACKGROUND & CHALLENGES 2020

Since our last strategy in 2016, many things have changed for CiFAR, in the fight against cross-border corruption and for accountable and transparent asset recovery.

When CiFAR was founded the issue of illicit financial flows and of asset recovery was largely unknown outside of specialist circles amongst government, civil society organisations and academia, which was reflected in our previous strategy which focussed on building skills and awareness. Over the past four years, on the global level, the issue of stolen assets has become much more understood among the public and the structures that enable it have become widely known. The Panama and Paradise Papers in particular both exposed the public to the realities of illicit financial flows in a way hitherto unknown and led to concrete change in how governments respond to dark money, with secrecy rules around beneficial ownership, banking and tax being increasingly challenged in richer countries, including the UK and Switzerland. It has also seen greater engagement from governments in the Global South in the debates, with Nigeria in particular leading efforts to push for greater efforts from the North for more transparency and to return stolen assets.

The number of asset recovery cases has also rapidly increased, as well as the number of returns. In 2016, much of the focus in international asset recovery discussion related to the cases with respect to Egypt, Nigeria, Tunisia and Ukraine. The past four years has seen increasing attention on other cases across the world, including the Malaysian 1MDB case, the Odebrecht cases across Latin America, the Karimova case in Uzbekistan, the Hidden Debt case in Mozambique and the Billion Dollar Bank case in Moldova. It also seen progress made in some of the existing cases, in particular on the return of the Abacha and Ben Ali funds from Switzerland to Nigeria and Tunisia respectively.

Governments have also introduced new ways to address grand corruption and asset recovery. This has included new laws on transparency of ownership of companies and properties as tools to make it harder for the corrupt to conceal wealth, as well as increased use of non-criminal law-based methods to return stolen money. The past four years have also seen discussion on and introduction of many other methods to respond to public asset theft, including discussion on suitability of sanctions as a response to grand corruption, the use of reconciliation agreements to return money without prosecution, and the introduction of unexplained wealth orders to address evidentiary challenges.

Despite these changes though, the broader context of asset recovery is still very challenging. While greater government engagement on this issue has translated into returns for some, it has not changed the general, systemic picture whereby very little money ends up back in the country from which it was stolen. The volume of returned money to identified theft remains very low, with that number likely only a small part of the actual money stolen each year by public officials and hidden overseas.

Further, several high-profile cases remain frozen and are at threat of being dropped and money returned to alleged corrupt individuals. This includes sanctions relating to Ukraine and Egypt, while sanctions relating to Yemen were never specifically corruption related and may end with any peace agreement made. Returning states are also increasingly having to grapple with questions around modalities of return and returns to states without functioning governments or where governments have not changed. This ranges from cases such as Obiang in France, where individuals remain in power, to the Karimova Uzbekistan return, where criticism is being raised as governments try to return money after a process alleged to have breached human rights standards.

New measures introduced are also untested and have not been taken up in large numbers. Similarly, mechanisms once thought of as the future of asset recovery, such as BOTA foundation style funds, have fallen by the wayside. Some of the new measures introduced in the past four years are also controversial: reconciliation agreements in particular - used to secure the return of money in exchange for immunity from prosecution - have faced serious criticisms over transparency, accountability and justice.

The general picture with regards to transparency and accountability has also barely changed. Four years later, information about cases and returns is also still woefully inadequate to the purpose of ensuring proper, effective oversight of the asset recovery process and return itself. Civil society and the public in general still cannot access accurate information on the scale of assets hidden in secrecy jurisdictions and CSOs often have to act on a return after it has taken place, as information is not released in a timely fashion

From a civil society perspective, in 2020 increased numbers of journalists and CSOs are engaged in the issue of asset recovery compared with 2016. This growth has been particularly extensive in the Global North though, and further work is still needed in the Global South to be done to ensure that discussions are balanced and not led solely by civil society from richer countries. This in particular includes working both to ensure that civil society actors have the skills to engage nationally and internationally on the issue of grand corruption and asset recovery, but also to enable their voices to be heard in international settings.

2016-2019 were also CiFAR's first four years of operation. In that time, we have experienced positive and sustained growth and have built ourselves from scratch to an organisation that is known and contacted by policy makers and CSOs and engages in global debates on asset recovery. We have also built-up a network of civil society actors and worked with them to expose corruption and push for transparent and accountable asset recovery, both nationally and across borders. We have produced cutting edge research and made sure that this is tailored to the practicalities of civil society working on cases of asset recovery.

In the coming years though we will need to consolidate our position and begin to push the boundaries of what has been done in our areas of expertise in order to really change the narrative around asset recovery globally. This includes better understanding and evaluating the ways in which asset recovery is changing, supporting greater civil society engagement and ensuring that we can act as a dynamic and valuable partner for reform. We will also need to ensure our sustainability and review our internal structures to ensure we remain effective and accountable as we grow.



VISION, MISSION & THEORY OF CHANGE

VISION & MISSION

CiFAR's **vision** is a world where public officials are unable to steal public money and hide it overseas.

Our **mission** is to end cross-border corruption and to ensure transparency and accountability in asset recovery.

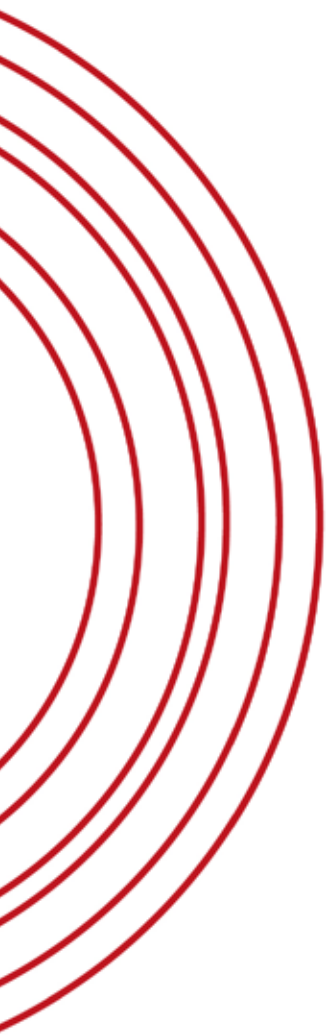
We employ a broad understanding of the terms used in our vision and mission. This means that while our vision identifies our work as addressing public money hidden overseas, we include within this money stolen, laundered overseas, and ultimately hidden in the country of origin. Similarly, asset recovery for us includes the entire asset recovery process, from identification of possible crimes, through prosecution, adjudication, return and reform.

THEORY OF CHANGE

Our theory of change is that, in order to end cross-border corruption and ensure transparency and accountability in asset recovery, several steps need to be in place. These are not necessarily sequential steps and are not all interdependent. Nevertheless, only by advancing on each of the steps will we be able to advance towards our vision.

- » Civil society at the national level, particularly in countries of origin, need to be empowered to work on asset recovery. This means that interest amongst civil society is built and that interested CSOs, academics and journalists are able to engage with national cases and policy reforms around asset recovery, are able to harness asset recovery cases for systemic transparency and accountability reforms, and can strategically expose ongoing cross-border corruption.
- » Globally, CSOs need to be connected and develop strategic coordination on cases and on systemic change. This means that CSOs need to understand both with who and how they can work on transnational cases and need to be empowered to participate in international CSO-CSO strategic advocacy and to present clear policy visions for change.
- » Investigative journalists need to be able to expose networks of corruption and report on return processes. This means that investigative journalists, especially from the Global South, support from a range of actors to investigate complex, multi-country financial crime and to work with other journalists in multi-country teams.

- » CSOs and investigative journalists need to work together to expose corruption. This means that forums need to exist for the exchange of information between the two groups and they need to be supported to better work together, without compromising journalistic independence.
- » Strong policy visions need to be developed by CSOs and should lead to research-based advocacy aimed at political actors and the general public. This means that more research needs to be done on what works to support effective, accountable and transparent asset recovery that includes the prevention of future asset theft. CSOs should be supported in developing advocacy around that research.
- » More pressure should be put on governments to establish preventative mechanisms, to collaborate with civil society, and to be accountable and transparent in investigation and return at the national and global levels. This includes through working collaboratively for increased international and national transparency and accountability in the asset recovery process.



OUR PREVIOUS STRATEGY

Our 2016-2019 Strategy was organised around 3 results areas:

- Developing the expertise, knowledge and skills of non-state actors to play an effective role in the asset recovery process
- Enabling stronger cross-border cooperation of non-state actors to fight against state asset theft and for asset recovery
- Building strong, multi-country campaigns to challenge the impunity of individuals for state asset theft and to challenge the structures that allow for assets to be stolen and moved abroad

Our base assumption in our 2016-2019 Strategy was that for asset recovery to be more effective, we needed a better informed, more connected and stronger coalition of civic actors working on the topic. Emphasis in the strategy therefore was particularly focussed on the first two results areas, with much of our activity focused on CSO capacity building and networking, working to support investigative journalists, and undertaking research to better support non-state actors to engage in asset recovery.

During this period, much has changed in the field. Several more CSO actors have become engaged in asset recovery on the international level, with working groups established around specific cases, and close collaboration between organisations particularly in Europe and the US. There has also been greater engagement with civil society from the Global South, both ongoingly and in international conferences. As an organisation, we have been closely engaged in this change.

HIGHLIGHTS OF OUR WORK

- Conducting training programmes for **young investigative journalists** on asset recovery and supporting cross-border corruption investigations that has exposed breaches in domestic laws and potential misuse of recovered assets
- Developing innovative **tools to promote compliance** with and undertaking research to assess the use of sanctions as a tool for asset recovery
- Carrying out **civil society assessment projects** across six countries with ongoing cases and supporting civic actors in several further countries to work on their cases through training and networking
- Working with **young activists** on cross-border corruption and supporting them to initiate their own projects
- Developing **global CSO Principles** for Accountable Asset Recovery

- Developing **research and investigations** on asset recovery issues and cases, including developing country profiles of ongoing cases
- Supporting and engaging with **international coalitions** on asset recovery, including in preparation for the Global Forum on Asset Recovery, the UNCAC Coalition and as part of a working group on Uzbekistan

STRATEGY CONSULTATION

In 2019 we engaged in a Strategy Consultation with our advisory board and several partner NGOs. The aim of this was to provide us with differing degrees of external perspectives on our work and on the priorities for asset recovery in the coming few years. The purpose for this was to try to understand our place in the growing field of organizations who are now engaged in asset recovery and to feed into our priorities the perspectives of the organizations we work most closely with.

The questions post covered three areas for partners and an additional question for our advisory board.

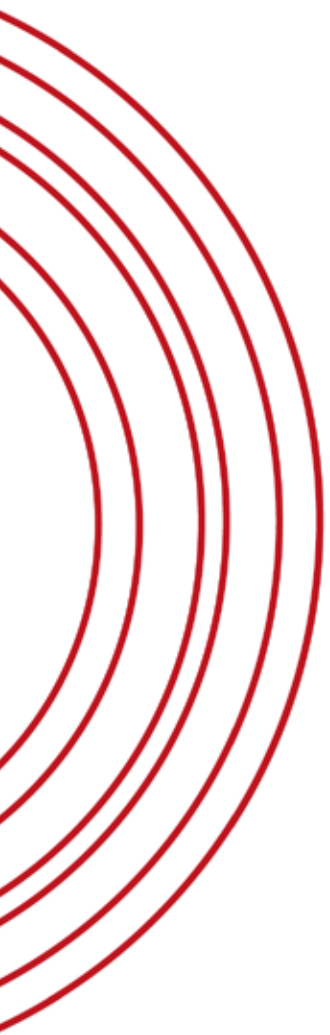
The first of these asked what advisory board members and partners thought were global priorities and challenges for asset recovery in the current moment, including asking them to reflect on changes in the debate over the past five years. Our advisory board and partners identified several challenges and priorities, many of which are interlinked. This includes: strengthening political will to work on asset recovery; implementation of the GFAR principles; improving data on asset recovery; greater engagement with investigative journalism and law enforcement; improving the management of recovered assets and accountability and transparency in the restitution process; working to better include victims of grand corruption in the process; strengthening compliance with asset recovery principles, especially amongst non-compliant countries; and improving North-South cooperation.

The second question asked, within the next three years, what advisors and partners thought would be achievable by civil society across the world in contributing to successful asset recovery and fighting cross-border corruption in the coming years and what would be needed to achieve that. Responses suggested a focus on work to: improve transnational cooperation; build on the CSO Guide developed during the AFAR process to turn areas into actual policy; push for global agreement on asset recovery standards; monitor country-level compliance and challenges; support investigative journalists; and build strong CSO-CSO-cooperation, including holding forums, developing strategies, creating networks and linking with NGOs outside of the anti-corruption sphere.

The third area asked to what extent they felt civil society organisations are successfully cooperating internationally and whether there any ways they saw that CSOs could be better connected with organisations from other countries and regions. Our advisory board and partners responded that more could be done to: strengthen civil society's role in asset recovery; translate GFAR principles into concrete activities; create pool funds that include CSOs from North and South; create platforms and strategies; build capacity of CSOs from the Global South; and to cooperate with NGOs outside of the anti-corruption field.

Finally, we asked our advisory board how they envisaged CiFAR growing and what they saw CiFAR achieving in the next few years. They answered that they suggest we focus more on: communication and dissemination of our work; lobbying the EU and other actors; maintaining our fundraising; expanding our investigative journalism work and other areas we work on; and consider developing specialities in certain areas.

While not all could be included, all suggested areas were considered, and many have gone into our new strategy. Those that were not included were either because we felt another organisation was already working on this issue and it would be more useful to support them rather than work on this in parallel or because we felt that it was currently beyond the issues we are able to work on and have therefore kept the issue back for inclusion in future strategies.



TOWARDS 2023: OUR NEXT FOUR YEARS

Our 2020-2023 strategy departs to an extent from our previous strategy by focussing not only on expanding the actors engaged in asset recovery, but also in pushing forward evidence-based global debates on how asset recovery functions. It also explicitly focuses on CiFAR's own growth and development as an organisation.

Our strategy is organised over three results areas. The first - Global Priorities - aims to improve civil society's understanding of how asset recovery is functioning currently, explore new and under-considered options for the recovery of stolen assets, and work with civil society to advocate for their adoption. The second - Strengthening civil society - builds on our work done to date and aims to continue building the capacity of non-state actors to work across borders on asset recovery, both on cases and as a tool for broader societal reform. The third - CiFAR as a strong actor - looks internally and aims to strengthen our organisation, focussing on our ability to be an expert, agile actor able to engage sustainably on the issue and to respond to the needs of others working on cases on the ground.

RESULTS AREA 1: GLOBAL PRIORITIES

While several measures aimed at preventing the theft of public assets have been in place for many years and while criminal proceedings remain the default for recovering any money hidden overseas, the past four years have seen a growth in prominence of new ways to combat illicit financial flows. This has included big pushes on beneficial ownership and generally on fighting financial secrecy, sanctions, and the use of non-conviction-based forfeiture of ill-gotten gains, alongside questions over the utility of traditional methods. Lacking in many of these discussions and policy tendencies though are solid, empirical reasons for favouring certain tools over others. These tools have also only made progress to a certain extent, with issues around transparency and accountability remaining as strong as ever.

This results area transcends country cases and represents our commitment to push the agenda on asset recovery globally - developing the evidence around and advocating for measures that really work to tackle cross-border corruption and asset recovery. These areas represent not only priorities, but also where we have added value as a specialised civil society actor focussing on asset recovery. A key part of this result area is considering both the traditional and the new tools and situating them within the challenging political contexts within which asset recovery is carried out. This result area is also about considering the interlinks between asset recovery and the bigger political issues of transparency, accountability and good governance globally and nationally.

Priority Area 1: New tools for asset recovery

Within the field of asset recovery, traditional, criminal justice approaches are frequently being replaced by calls for states to adopt and use new, non-traditional tools to make case-work more effective and faster. While typically discussion of alternative tools was focussed around non-conviction-based forfeiture laws, there has been a rapid advance in the past four years of other mechanisms, including reconciliation agreements, unexplained wealth orders, and sanctions. Several of these tools show promise, however knowledge gaps exist in several areas, both in our understanding of their effectivity as a tool for asset recovery and in how they contribute positively or negatively to building transparency and accountability more broadly.

CiFAR's work on sanctions has been an important step in developing this knowledge. Our priority in the coming four years will be to take this further and develop a better understanding of non-traditional tools more broadly, their prevalence and effectivity in actually combatting cross-border corruption, facilitating asset recovery and contributing to systemic change in both countries of origin and financial centres.

This work will be in part evaluative, and in part through investigating the effect of these tools in practice. Within this we will also seek to explore new ideas for tools that could make processes both more effective and more transparent and accountable.

Priority Area 2: Returning assets to hostile environments

Related to the Priority Area 1, a growing challenge in international asset recovery cases are returns of stolen assets to countries where corrupt regimes are still in power or where there is little to no possibility of citizen oversight of returned assets. This brings into tension the duty to return on the part of the states holding the assets and the duty to return responsibly. Countries such as Libya and Yemen, with ongoing hostilities, or Equatorial Guinea or Uzbekistan, with largely unchanged regimes, are current examples where these tensions are strongly in play. The result of this has seen returns stalled indefinitely or returning governments compromising responsible return principles. It is likely that these issues will become more common, in the coming years, as cases continue to grow.

Our priority in the next four years will be to develop new understandings of possibilities and creative solutions to return stolen assets to hostile environments in a way that is transparent, accountable and benefits the people from whom the assets were stolen. In particular it will look at ways returns can contribute to building strong governance systems in both countries of origin and financial centres. We will also investigate return processes that are underway to hostile environments to expose the challenges and risks that these returns entail.

Priority Area 3: Asset recovery as law

The traditional approach to asset recovery has focussed on criminal proceedings through strong anti-corruption laws and facilitated by solid asset recovery laws. Consequentially, introducing asset recovery laws has been an ask of anti-corruption civil society in many countries, particularly in recent years in the Global South. Little though has been done to understand the link between asset recovery laws and actual recovery, and between asset recovery laws and citizen oversight of their governments more broadly.

Our priority in this area will be to work with our partner organisations to evaluate, design and advocate for strong laws that both prevent public asset theft and ensure transparent and accountable returns. It will also be to lead and support investigations by investigative journalists and CSOs into compliance with existing laws, including in particularly sanctions. Further it will promote compliance with existing laws, through expanding our EU Sanctions Watch work. It will also involve developing a strategy for developing our contacts with key political institutions, in particular at the EU level.

Priority Area 4: Making asset recovery more visible

Despite increased attention over the past four years, citizens and civil society are still largely in the dark about asset recovery in almost all countries. This ranges from the status of ongoing cases around the world, to the processes being used to reclaim stolen assets, and the numbers and actors involved in cases. While some countries have made efforts to increase transparency to a degree and do cooperate with civil society, any information provided is often fragmented and not timely to interventions by civil society, particularly those in the Global South.

Our priority in this area will be to identify and publicise more information on asset recovery cases in a way that is accessible for everyone. This will include further developing our country profiles, collating information on cases and figures where possible, advocating for governments to release more data, and by providing clear explanations of terminology and processes so that everyone can be engaged in debates on asset recovery.

RESULTS AREA 2: STRENGTHENING CIVIL SOCIETY

Despite the emergence of more civil society actors in the field of asset recovery, gaps still exist in civil society knowledge. Even where an understanding of the process of asset recovery is strong, organisations that work on this topic as a part of broader anti-corruption, democracy or human rights work are still likely to need support to understand where and when certain actions should be taken and in developing advocacy and campaigning strategies that build on asset recovery for systemic transparency and accountability reforms. Further, the nature of case-based asset recovery work means that for many civic actors, they will only start working on asset recovery for the first time when a major case breaks, meaning they will also need support to build connections in other countries.

This results area directly builds on the work of our 2016-2019 strategy and aims to ensure an even stronger, more connected and diverse range of civil society actors engaged on the issue of asset recovery globally, with a particular emphasis on the Global South. Activities within this results area focus on capacity and strategy building, networking and on the inclusion of more diverse voices from civil society in global debates.

Priority Area 5: Capacity building and strategizing

Lack of capacity is still the major issue for greater involvement of civil society in engaging on asset recovery, particularly those from the Global South for whom a major case may be the first time they work on the topic. While more organisations have become involved in the issue in the last four years, numbers are still too few relative to the size of the issue. There are also large knowledge gaps in several civic actors, particularly in understanding how and when to advocate for government action on individual cases and in how to use asset recovery for systemic change.

Our 2020-2023 priority in this area will be to carry out more capacity building in the Global South for NGOs that need it, continue to work to train investigative journalists to work on asset recovery, and support cross-border strategizing, advocacy and campaigns on cases and on our Global Priorities. We will also seek to build better links between non-state actors and law enforcement, so that the link to effective prosecution and recovery becomes stronger and focus on using asset recovery to transform governance in the countries of origin and destination. Security of activists is a major issue when working on this topic and will be built into all our capacity building work.

Priority Area 6: Networking and inclusion

The past four years have seen civil society organisations come together for the Global Forum for Asset Recovery and other international conferences and events, as well as part of case-specific advocacy groups. It has also seen us lead a coordinated effort to develop Global CSO Principles and has also seen the unparalleled coordination of investigative journalists in exposing illicit financial flows, including mechanisms used by the corrupt to hide their money.

Despite this, there are still barriers to cooperation, particularly between civil society organisations, where there is still a big over-representation of civil society from financial centres in events and in coordination groups. There are also still too often CSOs working on the same case from two different jurisdictions without cooperating with each other, potentially undermining any gains they could make by acting cooperatively.

Our priority will be to continue our work to convene civil society across borders on asset recovery, including through supporting civil society actors to build their networks through meetings and events and through expanding our databases of engaged actors and individuals. We will particularly focus on supporting civil society from the Global South and empowering their voices at the global level.

RESULTS AREA 3: CIFAR AS A STRONG ACTOR

Since 2016 CiFAR has grown from founding to an organisation well-respected within the asset recovery and anti-corruption fields and able to secure funding to implement projects that fulfil our strategy and mission. We have also professionalised several of our internal systems and developed policies and procedures for the implementation of our work that meet international best practice. Nevertheless, we still face challenges in securing longer term funding and in supporting our core work and have work to do to strengthen our internal governance system as we continue to grow. We also need to understand better how we can respond dynamically to changing conditions and progressing case situations within the framework of project-based work and improve the visibility of our research and tools so that they better reach those who can use the.

As such, our focus over the next four years will also be to strengthen CiFAR's ability to be an expert, agile actor able to engage sustainably on asset recovery and to respond to the needs of others working on cases on the ground.

Priority Area 7: Structures

Over the course of our first strategy and in establishing CiFAR, we founded our board and created an advisory board made up of five experts from the civil society, government and academic fields. We also set up an office and built up the structure of the internal organisation, establishing policies on procurement, staff, hiring, conflict of interest and travel. We further established a whistleblower and corruption focal point outside of the CiFAR structure and enabled it to hold the board and staff to account through the annual membership meeting.

Many of these policies and procedures are solid for now but will need reflection and possible revision during the lifetime of this strategy. In particular we will carry out a review of internal governance system, focussing on the roles of the Board and Advisory Board, with a view to increasing independence and accountability within the structures of CiFAR and in our interactions with the outside world. We will also seek to make as many of our processes and procedures as public as possible, as well as our funding, to continue to ensure that we are as transparent ourselves as we demand from others.

Priority Area 8: Visibility and funding

Our funding has grown over the past four years and we have a base of donors with whom we have now cooperated with on several projects. Further, we have built visibility for ourselves and the issues we work on through speaking at prominent international conferences, our website, press releases and news stories about us. Nevertheless, as a newer organisation, we still lack structural funding that can both support the aspects of our work, such as ad hoc CSO support, communicating our messages, non-project relevant research and, indeed fundraising itself, that is not covered by projects, and is longer term.

Our visibility also requires strengthening to ensure that our work better reaches our target audiences and that we have plans in place for communicating each aspect of our work. Our priorities over the coming strategy will be to ensure that we are growing sustainably through building our base of donors and increasing our funding levels to be able to cover all our work areas effectively, including by increasing our staffing capacity and seeking longer-term and non-project based funding. We will also work to improve our visibility through developing our communications strategy, with a focus on reaching relevant audiences with our messages and on being seen more often as a focal point for our area of expertise. As a part of this, we will develop an independent media and social media strategy aimed in particular at building our presence with the media.



CiFAR - Civil Forum for Asset Recovery
e.V.

Köpenicker Str. 147
Berlin, Germany
cifareu

Support us: cifareu/donate/
Contact us: info@cifareu