

NARRATIVE REPORT 2020

CIFAR.EU



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CiFAR – Civil Forum for Asset Recovery e.V.,
Köpenicker Str. 147, Berlin, Germany
www.cifar.eu



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OVERVIEW

Berlin, 24 May 2021

2020 was an exciting and interesting year for CiFAR. The global COVID-19 pandemic saw us forced us to rapidly and drastically alter our project planning and in many cases delayed the implementation of activities. At the same time, this forced rethink of our model of work has also led to the rolling-out of approaches that can have long term utility and have helped us to become a much more digitally developed organisation.

We launched our new strategy this year, which sets out our work and priorities for the coming four years. 2020 also saw the continuation of two key programmes: our civil society support programme, with a focus on Kenya, Mexico, Moldova and Mozambique, and our investigate programme, that in its second instalment covered the Western Balkans, Western Europe and North Africa. While both of these had events moved online, they both succeed in reaching out to and developing the skills of professionals in cross-border corruption and asset recovery.

The year also saw the launch of several new reports that provide the backbone for our work and for our and our partners engagement with government. This included a series of four reports looking at sanctions as a tool for asset recovery and on recovery to Yemen. It also included the development of joint Civil Society Principles for Accountable Asset Return and speaking in several high profile panel discussions.

Since founding, almost five years ago, we have grown greatly, becoming an organisation that has the skills and resources to be a hub for civil society -led asset recovery. As we enter our fifth year of operations, we strive to continue our work to support civil society across the globe be more effective in combatting cross-border corruption and demanding accountable and transparent asset recovery.

We once again would like to take the opportunity to thank those that have supported us over the years and look forward to continued cooperation with you.

The CiFAR Team

NOTE ON NEW STRATEGY

As noted above, 2020 saw the development of our new, four year strategy, aimed at moving us and the global asset recovery debate forward.

Since our last strategy in 2016, many things 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.

Between 2015–2019, on the global level the issue of stolen assets became much more understood among the public and the structures that enable it became 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. It also saw 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. Important, thanks to the effort of global civil society, including CiFAR, the role of civil society in asset recovery processes is more and more acknowledged by state actors, both at the national and international level. This is shown for example through the increased participation in global fora on asset recovery, especially in the debates about mechanisms to ensure transparency and accountability of asset returns.

The number of asset recovery cases also increased, as well as the number of returns, and new tools to address grand corruption and asset recovery grew in importance and were introduced. More journalists and civil society organisations became engaged in the issue of asset recovery than ever before and there was greater cooperation amongst and between these groups, although still with a focus on the Global North.

2016–2019 were also CiFAR's first four years of operation. In that time, we experienced positive and sustained growth and built ourselves from scratch to an organisation that is known and contacted by policy makers and civil society organisations and engages in the most important global forums on asset recovery and illicit financial flows.

Our 2020-2023 strategy reflects these changes. We will, as before, focus on expanding the actors engaged in asset recovery, but also push forward evidence-based global debates on how asset recovery functions. The strategy also explicitly addresses CiFAR's own growth and development as an organisation.

The 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 improving 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 capacity 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. You can read more about our 2020-2023 strategy [here](#).

RESULTS AREA

1

GLOBAL PRIORITIES

OVERVIEW OF RESULTS AREA

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. Our priority is to 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.

In the autumn of 2020, we launched **four country reports on the role of sanctions** as a tool for asset recovery. These built on our previous work on EU misappropriation sanctions and looked at how sanctions are used and perceived in four countries: [Kenya](#), [Mexico](#), [Moldova](#) and [Mozambique](#). We selected these countries as each has ongoing cases but have not been subject to country level sanctions by the EU. While the findings of each report differ, an important take-away was that sanctions can be useful for asset recovery, but need to come as a package of other measures and need to involve civil society in the process of designation and review.

PRIORITY AREA 2: RETURNING ASSETS TO HOSTILE ENVIRONMENTS

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. Our priority is 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 2020 we undertook several activities aimed at advancing our goals within this priority area. In January, we convened an expert meeting to discuss the ongoing sanctions relating to the former president of Yemen – Ali Abdallah Saleh – and the possibilities for the return of assets to Yemen, to which a member of the Panel of Experts established pursuant to UN Security Council resolution 2140 (2014) participated. The results of this fed into our report [Yemen's Stolen Assets: Past and Future](#), which serves as the basis for our ongoing work in Yemen. This report looks into the UN sanctions, outlines the background to this situation, identifies assets linked to the former President, and maps out options for how Yemen could recover its stolen money once the civil war ends, as well as steps other governments could already take to return money vital for rebuilding Yemen.

PRIORITY AREA 3: ASSET RECOVERY AS LAW

The traditional approach to recovery has focussed on criminal proceedings through strong anti-corruption laws and facilitated by solid asset recovery laws. Our priority in this area is 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. We also aim to lead and support investigations by investigative journalists and CSOs into compliance with existing laws, including in particularly sanctions.

Over the year we continued our work begun in 2019 to develop [Civil Society Principles for Accountable Asset Return](#). These were concluded and launched in November 2020 jointly with Transparency International EU, Transparency International France and Human Rights Watch, but also had several other notable successes. This includes being submitted for consideration at the UN General Assembly Special

PRIORITY AREA 3: ASSET RECOVERY AS LAW

Session on Corruption in June 2021 jointly with the Africa Network for Environment and Economic Justice (ANEEJ), the Civil Society Legislative Advocacy Centre - CISLAC Nigeria, Human Rights Watch, I Watch (Tunisia), The International State Crime Initiative, Transparency International EU and Transparency International France. The principles were also used by the United Nations Office of the High Commissioner for Human Rights to support its development of Guidelines on Stolen Asset Recovery and Human Rights.

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. Our priority in this area is to identify and publicise more information on asset recovery cases in a way that is accessible for everyone.

Our achievements in this area include the co-**organisation of thematic track 'Global asset recovery'** at the Global Forum Illicit Financial Flows and Sustainable Development organised by GIZ, the Ministry of Foreign Affairs of Norway and the Ministry for Economic Cooperation and Development of Germany, as well as the organisation of two workshops under the thematic track, on the role of third parties in asset returns and on anti-corruption sanctions. We also published and updated seven [country profiles](#) in 2020. These profiles include information on the anti-corruption and asset recovery situation in countries, as well as ongoing cases, and aim to provide civil society with more information on the situation in key countries, as a way to support their engagement.

We wrote a number of **blog posts** over the year, highlighting asset recovery developments. In one of these, we had a guest post from Oluwasola Omoju, PhD, a Research Fellow at the National Institute for Legislative and Democratic Studies of the National Assembly of Nigeria, who wrote on [Improving the Regulatory Framework for the Management of Recovered Assets in Nigeria](#). In addition, other notable successes during the course of the year include our Advisory Board member, Dr. Clara Portela, publishing an [article on EU sanctions](#) that used our work and an [article published on our Yemen report](#) in Zenith magazine in September 2020.

RESULTS AREA

2



Strengthening civil society

OVERVIEW OF RESULTS AREA

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. Our priority in this area is 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.

In 2020, we continued our civil society capacity building and strategizing programmes in Kenya, Mozambique, Moldova and Mexico and our Investigate programme for early career journalists.

Our civil society capacity building programme began with a **scoping trip to Kenya** in February 2020, where we met civil society organisations, government agencies, and embassies working in the field of cross-border corruption in Kenya to discuss our work, the support we could offer and to identify ways to work together. Physical trainings had been planned for later in the year, but the COVID-19 pandemic meant that we had to adjust our plans. We continued communication with partners over the year and in the autumn organised **four virtual trainings** for partners in each of the four project countries. While each training shared a number of key sessions focussing on cross-border corruption,

PRIORITY AREA 5: CAPACITY BUILDING AND STRATEGIZING

asset recovery and international sanctions delivered by CiFAR staff, each training was also unique as we adapted agendas based on the local context and needs of trained NGOs. CiFAR built the agenda in a way that allowed for and encouraged the exchange of ideas and experiences, giving space for participants to input into sessions and with several sessions led by local trainers.

Investigate: Western Balkans, Western Europe and North Africa also held its first physical meeting early in the year. In January 2020, 19 participants met in Berlin for a five-day training, introducing the journalists to principles of investigative journalism, security and safety, and to asset recovery, illicit financial flows, money laundering and the role of investigative journalism in this. Besides giving a number of lectures ourselves, we were able to secure three senior investigative journalists from the OCCRP and GIJN networks, originating from Lithuania, North Macedonia and Egypt, as well as a security specialist from Tactical Technology Collective. The second workshop of this programme was due to take place in North Macedonia in March 2020, however this was suspended due to the pandemic and moved to a **series of online trainings** in April 2020, which covered interview techniques and using human sources, communicating a story, building investigation timelines, storytelling and metadata, banking data and advanced online research.

Participants were supported to develop their stories in small groups over the year, including through mentoring, and the [first set of stories](#) was published in October 2020. The story had a notable immediate impact after publication: in the weeks following the publication, two regional environmental forums took place in Albania and North Macedonia, where the findings of the story were discussed. An additional conference was organised by a municipal council to discuss the issues. The story was also republished by numerous local media, while the authors were contacted by NGOs and tourism businesses to thank them for the article. Reportedly, the UNESCO was also asked whether the lake site would be declared a "World Heritage Site in Danger".

PRIORITY AREA 6: NETWORKING AND INCLUSION

Civil society organisations have come together for the Global Forum for Asset Recovery in 2017 and other international conferences and events, as well as part of case-specific advocacy groups. 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 civil society organisations 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 is 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.

Our work on networking and inclusion continued to run throughout our work. Our focus with our capacity building work in particular focussed on building networks amongst civil society actors. With civil society organisations, this meant networking amongst national groups and incorporating discussions about civil society in other countries who could be useful in their work. For investigative journalists, this meant building relationships between journalists from all three regions, introducing them to international networks and facilitating joint work across borders on investigations.

During the year we also worked ourselves on some **joint civic actions**. Alongside the civil society principles, discussed above, this included signing a joint statement developed by Transparency France on the return of the Karimova assets to Uzbekistan and co-organising a session at the 19th online International Anti-Corruption Conference in collaboration with the GIZ on investigative journalism, corruption and COVID-19.



CiFAR as a strong actor

OVERVIEW OF RESULTS AREA

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 international 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. Many of these policies and procedures are solid 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.

During 2020, we began our work in this area. Internally, we began with developing our **organigram** and developing our **procedures** for separating responsibilities and providing oversight of staff tasks. We also worked with staff to provide further detail in job descriptions and established a formal review process linked to a new pay structure. This structure is linked to the German public sector pay scales and is designed to ensure that staff have transparency and fairness in remuneration based on job level, performance and years of employment and minimises the possibilities for

PRIORITY AREA 7: STRUCTURES

discriminatory pay scales.

Externally, we developed our relationships with key civil society partners over the year, establishing regular communication with key partners and building interpersonal and interorganisational relationships.

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. Our priorities in this area is 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 are also working 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.

We began to strengthen our communication in 2020. This included having an external actor – 180 Degrees Consulting – conduct a review of our communication and recommend a new strategy for us to pursue. We also revised our website during the year, aligning it to our new strategy and aiming to make information more accessible to viewers. Throughout the year we had:

- 8,948 unique website visitors to our main website and 5,340 visitors to EU Sanctions Watch
- 319 Twitter followers and 36,745 impressions
- 729 Facebook followers, with a reach of 5,297

Regarding funding, during 2020 we maintained our existing donors and secured further funding for increased activities in 2021 and beyond. This included a new project supported by the NED to last two years and to expand our work to new countries in Africa and Latin America and discussions at the end of the year with GIZ for a third round of Investigate and for support for civil society engagement. We completed several funding applications for new donors, for which we are waiting for results and are committed to expanding our donor base in the years to come.



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