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**PROPOSAL FOR THE CREATION OF AN AD-HOC GROUP
FOR THE DEVELOPMENT OF GUIDELINES FOR ASSET RECOVERY
(GAH-REACT)**

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PROPOSAL FOR THE CREATION OF AN AD-HOC GROUP FOR THE DEVELOPMENT OF GUIDELINES FOR ASSET RECOVERY (GAH-REACT)

1) Background

Since its creation in 1992, the Group of Experts for the Control of Money Laundering (GELAVEX) of the Inter-American Drug Abuse Control Commission (CICAD/OAS) has been undertaking initiatives on issues related to the prevention, detection, investigation, prosecution and sentencing of money laundering, the financing of terrorism and its related offences.

To this end, model legislation has been drafted, as well as recommendations for best practices that highlight the importance of international cooperation in this field.¹ These documents are frequently used as a reference point in international forums and provide direction to Member States when updating their national legislation in conformity with international standards established by several treaties and recommendations.

The experience acquired by the Sub-Working Group on International Cooperation and Forfeiture of GELAVEX has allowed for the identification of obstacles in the international recovery of assets of illicit origin. For this reason, the optimization of international cooperation was considered a priority and this led to the proposal for a Program of Technical Assistance to be developed by the Executive Secretariat (ES/CICAD) with help from GELAVEX.

Following this suggestion, at the XXXVII meeting of GELAVEX, held on September 17-18, 2013 in Brasilia, Brazil, the plenary group entrusted ES/CICAD with the task of designing a program along the lines expressed in the meeting. Later, in the fifty-fourth ordinary session of CICAD, which took place on December 11-13 in Bogota, Colombia, the initiative was approved by the Commission.

The resolution of the forty-fourth ordinary session of the General Assembly of the OAS, on June 3-5, 2014 in Asunción, Paraguay, also stressed the need to “improve the efficacy of international cooperation in the matter of asset recovery.”²

In response to this mandate, the Executive Secretariat (ES/CICAD) began the process of designing the proposal for the Technical Assistance Program on International Cooperation in Asset Recovery, and an update on the progress was presented at the XXXVIII meeting of GELAVEX, on May 22-23, 2014 in Washington, DC, United States of America.

¹ See, for example, the Model Regulations on Money Laundering Crimes related to Illicit Drug Trafficking and other Grave Crimes of CICAD, 1992.

² See: § 103 of the Resolution.

On this occasion, the delegates were satisfied with the proposal, and encouraged the ES/CICAD to complete the design and to present it at the plenary of the XXXIX Meeting of GELAVEX, which took place on September 25-26 in Montevideo, Uruguay. The proposal was approved by the Group and by CICAD at its fifty-sixth ordinary session, held on November 19-21, 2014 in Ciudad de Guatemala, Guatemala.

2) Justification

As mentioned, the REACT Program has been conceived as a response to the mandate given by OAS Member States to the Executive Secretariat (ES/CICAD) through the Group of Experts for the Control of Money Laundering and, more specifically, by the Sub-Working Group on International Cooperation and Forfeiture.

According to the proposal approved by CICAD in its fifty-sixth ordinary session, the REACT Program would be composed of four components, to be developed if the funds allow: i) the development of a situational assessment; ii) the creation of a structured information repository iii) the development of guidelines and iv) training courses.

The importance of the REACT Program and the need to develop such components were stressed by OAS Member States and Observers, as well as by strategic partners of GELAVEX on many occasions, but until now, and in spite of the efforts of the ES/CICAD, no donors were identified to finance it.

For this reason, this proposal aims to create an Ad-Hoc Group (GAH-REACT) composed of professionals that have interest and are available to join efforts in the development of guidelines for asset recovery, in order to accomplish the recommendations of GELAVEX and achieve the mandate that was received.

3) Objectives

3.1) General

To create an Ad-Hoc Group with the aim of creating guidelines that serve OAS Member States in implementing international standards in asset recovery.

3.2) Specifics

The creation of the Ad-Hoc Group and the development of the guidelines would support the accomplishment of the following objectives of the Program of International Cooperation for Asset Recovery (REACT):

- Develop tools so that the identification, location and recovery of assets can be executed harmoniously, effectively and in conformity with international standards concerning money laundering and the financing of terrorism;
- Optimize and promote the exchange of information in order to prevent and fight money laundering, the financing of terrorism and its related offenses, facilitating the recovery of illicit assets;
- Contribute to institutional strengthening and the capacity building of specialists in asset recovery;

- Build confidence in the institutions and public servants of OAS Member States related to the recovery of assets;
- Improve administrative and judicial cooperation between the OAS Member States in money laundering, the financing of terrorism and its related offences;
- Promote the adoption of mechanisms for the sharing of assets of illicit origin between States that collaborate in their identification and recovery;
- Facilitate the exchange of knowledge, experiences and best practices in asset recovery.

4) Product

To create guidelines that can be used as reference by OAS Member States to implement international standards regarding asset recovery.

5) Methodology

The Ad-Hoc Group for the Development of Guidelines for Asset Recovery (GAH-REACT) will be coordinated by ES/CICAD and will be composed of members of the international network of CICAD advisors, Coordinators of the Sub-Working Groups, Coordinators of GELAVEX, practitioners with experience on the topic that belong to key-institutions of OAS Member States and strategic partners of GELAVEX.

Once the proposal is approved at the XLI Meeting of the Group of Experts for the Control of Money Laundering (GELAVEX) and at the fifty-eighth ordinary session of the Inter-American Drug Abuse Control Commission (CICAD), to be held on November 11-13, 2015 in Trujillo, Peru, the ES/CICAD will initiate the process of identifying, among the members of the international network of advisors, the Main Advisor (EP) for this initiative.

The Main Advisor (EP) will be a high-qualified professional with experience in asset recovery and, after being nominated on November 27, 2015, will start to develop the baseline of the guidelines that will be shared by email with the other members of the Ad-Hoc Group (GAH-REACT) by February 12, 2016.

The GAH-REACT members will send their feedback of the first draft to the ES/CICAD and the Main Advisor by March 11, 2016 so they can make the adjustments to the text and work on a second draft to be completed by April 29. This draft will be published online on the webpage of the Anti-Money Laundering Section before the Meeting of the Sub-Working Groups of GELAVEX, to be held in May 2016 in Washington DC.

During the meeting, the draft will be presented to the delegates, who will have the chance to make comments and introduce their proposals, which will allow for the improvement of the draft by June 30, 2016.

After this framework, the ES/CICAD will coordinate the following contributions and revisions that will be done by the Main Advisor and the members of the Ad-Hoc Group, who will analyze the comments received by delegations. The final draft of the document would be ready by August 31, 2016, to be translated, presented, discussed and eventually approved at the XLIII GELAVEX Meeting.

ANNEX 1 – TERMS OF REFERENCE

PROFIL OF THE MEMBERS OF THE AD-HOC GROUP FOR THE DEVELOPMENT OF GUIDELINES FOR ASSET RECOVERY (GAH-REACT)

The Ad-Hoc Group for the Development of Guidelines for Asset Recovery (GAH-REACT) will be composed of members of the international network of CICAD advisors ; Coordinators of the Sub-Working Groups of GELAVEX; representatives from GELAVEX strategic partners and practitioners of OAS Member States.

In that sense, delegations are invited to designate one representative to join the Ad-Hoc Group The complete name and contact information of the designated representative should be sent to the ES/CICAD by October 30, 2015. The candidate should fulfill the following requirements:

- Experience in international cooperation and/or asset recovery;
- Availability to collaborate with the Group and accomplish the assigned functions in the established deadlines.

Once the designations are received, the Ad-Hoc Group will be formed and the final list of members will be published on the website of the Anti-Money Laundering Section of CICAD/OAS by October 2015.