



European Union

**EU Statement at the
18th session of the
Open-ended Intergovernmental Working Group on Asset Recovery**

United Nations Convention against Corruption (UNCAC)

Vienna, 12-14 June 2024

Mr Chair,

I have the honour to speak on behalf of the European Union (EU) and its Member States. The candidate countries North Macedonia, Montenegro, Serbia, Albania, Ukraine, the Republic of Moldova and Bosnia and Herzegovina¹ and Georgia, as well as the EFTA country Iceland, member of the European Economic Area, align themselves with this statement.

Most organised criminal activity is profit-driven. Criminal groups need resources to finance their activities, while criminals often move and spread their assets across different countries to avoid detection. Tracing, freezing, confiscating, and actually recovering money and illegally acquired assets is therefore an important priority for national authorities in the EU Member States and represents a strategic priority in the European Union's fight against organised crime.

To that end, the EU has recently taken several important steps. Following the EU's Roadmap to fight drug trafficking and organised crime, Eurojust will set up a specialised network of judges and prosecutors to support and coordinate national investigations.

In April this year, the EU adopted a new Directive (2024/1260) on asset recovery and confiscation, which will strengthen the powers of national authorities to trace, freeze, confiscate and manage criminal assets.

The Directive will expand the possibilities to confiscate assets from a wider set of crimes such as arms trafficking, fraud and trafficking of cultural goods, including for bypassing of sanctions once the Commission proposal on extending the list of EU crimes is adopted.

¹ North Macedonia, Montenegro, Serbia, Albania and Bosnia and Herzegovina continue to be part of the Stabilisation and Association Process.

It will provide Asset Recovery Offices with the mandate to swiftly trace and identify criminal assets, including to urgently freeze property when there is a risk that assets could disappear; and it will establish Asset Management Offices in all EU Member States to ensure that frozen property does not lose its value and enable the sale of frozen assets that are at such risk or are costly to maintain.

The new rules will also enable member states to confiscate unexplained wealth, where such property is linked to conduct committed through a criminal organisation and generates substantial economic benefit. This will ensure that illegal gains do not remain in the hands of criminals that managed to hide the illegal origin of their properties or assets.

Concerning beneficial ownership information, the Fifth Anti-Money Laundering Directive (2018/843) had made the establishment of public beneficial ownership registers mandatory in all EU Member States. The Court of Justice of the European Union has partly annulled the Directive on grounds of data protection, but this concerns only a small aspect of the directive, namely the obligation that beneficial ownership information is accessible in all cases to any member of the general public.

Beyond the EU, in the Council of Europe, the Conference of Parties to the Warsaw Convention intends to update the Convention by means of an Additional Protocol. This Protocol is meant to enhance the efficiency and effectiveness of judicial cooperation between States Parties, inter alia, as regards the management of frozen and the sharing of confiscated assets between States Parties, as well as the execution of foreign non-conviction-based confiscation orders. We believe that this exercise presents an important initiative for the promotion of international cooperation for the purpose of asset recovery and may serve as an inspiration for similar progress at the UN level.

Finally, let me say that we were very disappointed that, at the 10th session of the Conference of the States Parties to the Convention in Atlanta, some member states blocked any decision to hold a special session on asset recovery. This was done for short-sighted political reasons by some of the same states that keep lamenting that not enough is done in order to achieve the goals of the Convention. We believe this is a lost opportunity.

Thank you, Mr Chair.