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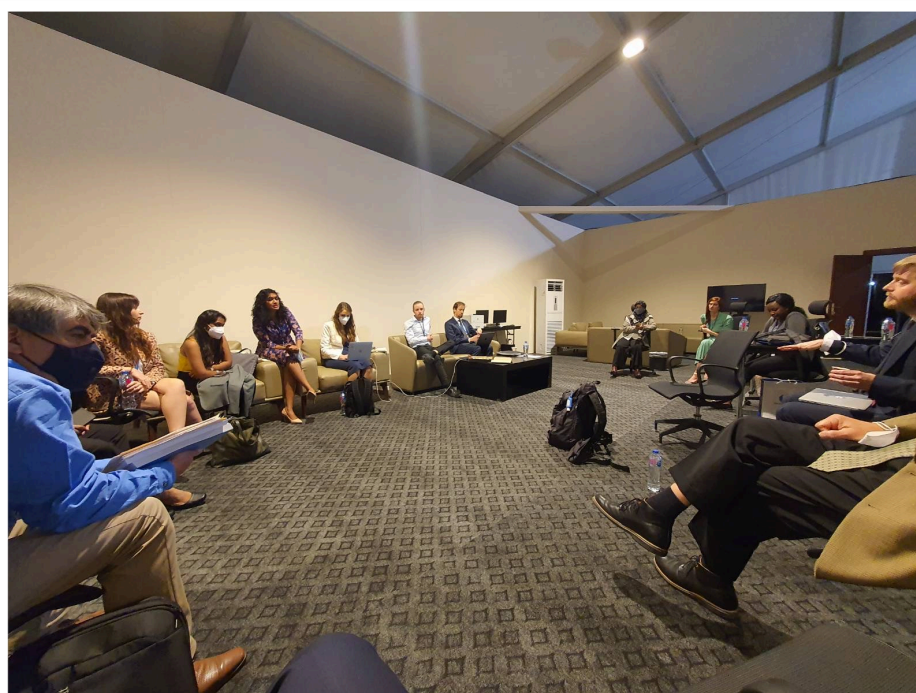
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# COSP OBSERVER

**NEWS AND VIEWS FROM CIVIL SOCIETY ORGANIZATIONS OBSERVING  
THE 9TH COSP**



*Above: Civil society gathered in the NGO Lounge yesterday to discuss advocacy priorities during the CoSP*

## CoSP9 opens, postpones decision on objections against NGOs to Wednesday

UNODC Executive Director Ghada Waly at the opening of the 9th UNCAC CoSP, in the presence of the Egyptian Prime Minister, and following a message from UN Secretary General António Guterres, welcomed 2,100 participants. Ghada Waly highlighted the massive destructive force of corruption, mentioning that the African continent alone loses an estimated USD 88 billion per year through capital flight. Egypt was elected as CoSP chair for the next two years, succeeding the United Arab Emirates. The Conference decided to postpone the discussion about objections filed against the participation of eight NGOs by a State



The Observer is a publication by the UNCAC Coalition, a global network of over 300 civil society organizations in over 100 countries, committed to promoting the ratification, implementation and monitoring of the UN Convention against Corruption (UNCAC).

Established in August 2006, the Coalition mobilizes civil society action for UNCAC at international, regional and national levels.

**What are your  
country's best anti-  
corruption practices?**

Write an anti-corruption best practice from your country on the world map at the UNCAC Coalition stall!

Party to Wednesday morning. During the general discussion, which is expected to run until Tuesday night, several speakers, including Norway's Minister of Foreign Affairs and the EU's Commissioner for Home Affairs highlighted the important role of civil society in anti-corruption efforts, in particular the UNCAC. Several countries, including Nigeria, Norway, Pakistan and Germany, underlined the need to advance transparency of beneficial company owners.

This is the first CoSP where negotiations on most of the eight resolutions tabled were agreed in Vienna ahead of the beginning of the Conference. The only resolution still being negotiated in "informals" is on advancing beneficial ownership, where some Western countries appear to push back against language on public access to beneficial ownership registries and verification on beneficial ownership data – crucial aspects where we hoped to see progress at the CoSP. There appears to be a risk that the CoSP resolution may backtrack from – rather than build on – language agreed by all States just six months ago in the Political Declaration of the UN General Assembly Special Session against corruption.

While other resolutions appear to be finalized, it is possible that States in the last minute may raise points on other resolutions, such as on one addressing follow-up to the June 2021 UNGASS against corruption.

## **‘Beneficial ownership transparency is key to tackling asset recovery’**

*An interview with Mr. Emmanuel Nweke, Senior Counsellor, Permanent Mission of Nigeria, who is chairing the negotiations on the first-ever resolution focused on the transparency of ultimate company owners.*

## **Why did Nigeria decide to table a resolution that links beneficial ownership transparency to asset recovery?**

Nigeria tabled this resolution because we think that asset recovery can only be effective if it is possible to properly link illicit assets to their beneficial owners. The Pandora Papers have again shown that through tax evasion and the use of shell companies that hide the real beneficial owners of assets, millions of dollars are lost to corruption every year. We believe that the time is right to bring beneficial ownership transparency to the forefront of the international discourse on asset recovery. Therefore, Nigeria, together with like-minded countries, has tabled this resolution on ‘Enhancing the access and use of beneficial ownership information to facilitate the identification, recovery and return of proceeds of crime.’



## **What will be the added value of this new resolution?**

We expect that the resolution will request the UNCAC asset recovery working group to discuss challenges and best practices on beneficial ownership transparency. We also foresee that the resolution will request UNODC, in partnership with the StAR Initiative, to start collecting information and provide updates on countries that maintain a registry or other mechanism on beneficial ownership. Our preference would be to

have centralized beneficial ownership registries that everybody can access.

### What are the main challenges that stand in the way of the resolution being adopted?

In previous CoSP resolutions, including resolution 8/9 tabled by Nigeria, there are references to beneficial ownership transparency. However, there has never been a resolution that is solely focusing on beneficial ownership transparency. Many delegations want to ensure that previous commitments on beneficial ownership transparency are not being watered down, whilst others do not want the new resolution to prejudge work that other international fora, like FATF, are undertaking in the area of beneficial ownership.

Yet, the fact that the resolution links asset recovery to beneficial ownership transparency is helping to facilitate consensus-building between different geopolitical zones and hopefully we will be able to adopt it during this Conference.

## States must deliver on UNGASS Commitments to Advance Asset Recovery

*By the UNCAC Coalition's Asset Recovery Working Group*

There have been small advances in asset recovery in the past 18 years since the first UNCAC CoSP. However, only a fraction of the amount looted from developing countries, where the resources are badly needed, has been returned. In most of the countries where the stolen loot is deposited, there is insufficient political will to apply the necessary detection and confiscation measures for prompt asset recovery and return. In many of the countries from which the assets have been plundered, there is no effort to recover them at all. And when there is

## Upcoming Special Events

### Wednesday 15 December:

- **12.00-13.00: Ste Catherine**  
*Beneficial Ownership: Advancing UNCAC Commitments*
- **19.00-20.00:**
  - *Do we need a special rapporteur on anti-corruption and if so, what should its mandate look like?, Ste Catherine*
  - *Open data and transparency for enhancing integrity of the public sector (Transparent public finances), Nile Valley*

### Thursday 16 December:

- **12.00-13.00: Ste Catherine**  
*Anti-corruption prosecutors under attack*
- **15.30-16.30, El Fayrouz**  
*Strengthening the UNCAC Implementation Review Mechanism*
- **19.00-20.00, Ste Catherine**  
*Civil society champions against corruption: Showcasing regional best practices*

asset recovery and return, it is often not done in a transparent, accountable and inclusive manner.

A number of measures supplementing UNCAC provisions, including the commitments in the June 2021 UNGASS Political Declaration, could help achieve faster and more accountable asset recovery processes. Therefore **both, origin and destination jurisdictions should give the strongest possible interpretation to UNGASS commitments and report on their progress.**

In particular, States Parties must deliver on the UNGASS commitment to enhance beneficial ownership transparency (UNGASS Declaration, para 16), as it is key for the effective tracing and freezing of illicit assets. The best way to achieve this is **through centralized registries of beneficial ownership information that are freely accessible to the public.** In addition, **anti-money**



**laundry requirements should be robustly applied to all professionals and entities providing services that offer risks of money laundering**, with sanctions in place for non-compliance.

In line with para 40 and 47 of the UNGASS declaration, States Parties should further allow for **non-conviction-based confiscation in asset recovery cases where a criminal conviction is impossible**. This includes cases where the offender is dead, has fled the jurisdiction, is immune from prosecution or too powerful to prosecute. Where confiscation is only possible after a criminal conviction, **countries should introduce a presumption of money laundering where certain criteria are met, to facilitate conviction of the offenders and confiscation of the proceeds of crime**.

Principles of transparency and accountability should further guide the entire asset recovery process and include consultations with a broad range of stakeholders prior to return as well as public reporting about the use of returned funds. **As we are approaching the 20th anniversary of the adoption of the UNCAC, now is the time to move ahead on asset recovery!**

## UNCAC Coalition Special Event with Honduras

The government of the Republic of Honduras and the UNCAC Coalition co-organized a side-event on, “Multi-sectorial partnerships towards policy reform based on the implementation review mechanism” on December 13th. The event aimed to highlight the best practices showcased by Honduras in the involvement of civil society and

academia in anti-corruption policy formulation and implementation monitoring. The speakers were María Andrea Matamoros, the Minister of Transparency of Honduras, by the Vice Rector of the National Autonomous University of Honduras, Julio Raudales, and by Lester Ramírez from the UNCAC Coalition member organization *Asociación para una Sociedad más Justa* (ASJ). The event was moderated by Danella Newman, Project Manager at the UNCAC Coalition.

The discussion by the speakers centred on Honduras’ efforts to deepen its implementation of the UNCAC through multi-sectorial initiatives. Key among these were the government’s decision to sign the Transparency Pledge in 2020 and the publication of an UNCAC Implementation Review parallel report by ASJ. All three speakers recognized the challenges of working with a multi-sectorial approach, yet all agreed that corruption can only be effectively addressed when civil society, academia and the government work together.

*Below: The UNCAC Coalition’s Project Manager Danella Newman moderating the event with Honduras*



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*You can find the UNCAC Coalition team at the NGO Lounge during CoSP9.*

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