

Innovation in Asset Recovery

The Swiss Perspective

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Recent international studies have strikingly illustrated the enormous challenges that corruption and similar crimes pose to developing and emerging economies. The World Bank has played a vital role in bringing these problems to light. According to World Bank estimates, developing countries lose between US\$20 billion and US\$40 billion each year through bribery, misappropriation of funds, and other corrupt practices. This amount represents 20 percent to 40 percent of the total international development aid received by these countries. Against this backdrop, the importance of efficiently recovering assets illicitly acquired by politically exposed persons (PEP) has been increasingly recognized.

Over the course of 25 years, Switzerland has become a world leader in the field of recovery of illegal assets held by former heads of state and other PEP. The expansion of expertise in and commitment to asset recovery issues was prompted by the events that followed the overthrow of Philippine dictator Ferdinand Marcos in 1986. The Swiss government reacted to the news within hours by invoking emergency constitutional powers to freeze all assets held by members of the Marcos regime with Swiss financial intermediaries. This immediate and determined action laid the foundation for the subsequent restitution, via official mutual assistance channels, of more than US\$600 million to the new and democratically elected Philippine authorities.

In Switzerland today, there is broad political consensus about determined and proactive action on the part of the authorities against illicit assets held by former heads of state and other PEPs. Switzerland has no interest in its financial sector being abused to conceal assets of dubious provenance that should be used to benefit local populations in the form of state-run programs and projects. Questions of reputation and integrity have become key factors in the global competition among financial centers. Switzerland has proven its commitment to tackling the underlying problems not only by its active participation in international initiatives but also in the number of cases that have been resolved worldwide. Over the past 25 years, Switzerland has returned to their countries of origin a total of US\$1.7 billion in assets acquired unlawfully by PEPs. The World Bank puts the total value of PEP assets returned during the same time period at US\$4–5 billion. As the world's seventh-largest financial center, Switzerland is thus well ahead of other countries in terms of the restitution of unlawfully acquired assets.

The Swiss authorities have acquired a great deal of experience in the restitution of PEP assets since 1986. One of the main lessons learned is the

importance of creativity and innovation in resolving cases successfully. No two asset recovery cases are exactly alike. As the example of the former Nigerian head of state Sani Abacha underscores—at US\$800 million, the largest sum of money ever returned worldwide—such cases are extremely complex because a large number of banks, countries, and third parties are usually involved. Because mutual legal assistance (MLA) procedures often stretch over periods of many years, the interaction between internal and international instruments in each specific case is of the utmost importance.

Following a brief general overview of the Swiss legal framework for asset recovery, this chapter highlights two specific areas that have seen considerable progress and developments in recent years. First, the chapter addresses the creation of new legal provisions tailored specifically to cases in which the state structures in the country of origin are so weak that the restitution of unlawfully acquired assets by international MLA channels is impossible. Second, the chapter turns to the Arab Spring and Switzerland's initial findings on implications for asset recovery.

Overview of the Swiss Institutional and Legal Framework to Combat and Return Assets Illicitly Acquired by PEP

Switzerland has a comprehensive range of legal instruments and measures in place for turning away assets of criminal origin and for identifying, blocking, and returning them if they nonetheless find their way into the local financial center. Swiss banking secrecy law does not apply to assets of criminal origin and therefore does not impede existing protective and preventive measures in any way.¹

The Swiss legal framework rests on five pillars comparable to the provisions familiar in many other states. The various elements are outlined below.

Prevention of Corruption

The first pillar aims to prevent high-ranking foreign officials from illegally enriching themselves in the first place. Promoting good governance and tackling the root causes of corruption rate highly in Switzerland's foreign policy. In its development cooperation, Switzerland gives priority to combining measures at the governmental level through institutional reforms and activities involving civil society, such as awareness raising, participative approaches, social audits, and investigative journalism.

Due Diligence/Know Your Customer

Another pillar is due diligence; Switzerland takes the necessary measures to prevent illicit assets of PEPs from being transferred to Switzerland or laun-

1 For more information, see <http://www.eda.admin.ch/eda/en/home/topics/finec/inter/poexp.html>.

dered via the Swiss banking system and thus being brought into legal economic circulation. Switzerland does not want to function as a safe haven for illicit assets of PEPs. Stringent “know your customer” rules oblige providers of financial services in Switzerland to identify their clients and ascertain the origin of their assets. To comply with these rules, financial intermediaries are required to identify the beneficial owner of assets. When dealing with PEPs, Switzerland’s legislation also stipulates, in conformity with internationally recognized standards, special clarification requirements (enhanced due diligence) and requires that business relations with PEPs be considered as involving increased risks.

Obligation to Report

All financial intermediaries operating in Switzerland are subject to a legal reporting obligation if they become aware, or have reasonable grounds to suspect, that the assets involved in a given business relationship are, or may be, associated with money laundering or terrorism financing, originate from criminal activities, or are connected with a criminal organization. In such cases, financial intermediaries are required to block assets immediately and to notify the Swiss financial intelligence unit, the Money Laundering Reporting Office Switzerland (MROS), without delay. If there is reason to believe that this may be a case of corruption, MROS will alert the criminal prosecution authorities, who will conduct a preliminary inquiry into the origin of the assets. If suspicions persist, the competent authorities will initiate criminal proceedings for money laundering.

International Mutual Legal Assistance

Under international standards, the unlawful acquisition of the assets in question must be proven in judicial proceedings before they can be returned. International MLA in criminal matters is a central instrument in this examination.

The Swiss Federal Act on International Mutual Assistance in Criminal Matters entered into effect on January 1, 1983. It empowers Switzerland to grant legal assistance to countries with which it has not concluded a bilateral agreement. Swiss authorities take care, wherever possible, to apply the provisions of the law with the flexibility needed to respond to the specific circumstances of individual asset recovery cases and to develop creative approaches to resolving them. This approach makes it possible to actively support states that have encountered difficulties in their recovery efforts. This support may be necessary when the state in question is unable to provide all the evidence required or to comply with the formalities necessary in the context of MLA. In such cases, Switzerland can help the state complete the request for international MLA and might even pay for the translation of such a request so that it can be submitted to the competent Swiss authorities in one of the national languages, as required by the act. In some cases, Switzerland has exceptionally paid lawyers’ fees to enable requesting states to benefit from counseling, thus increasing their chances of recovering embezzled funds.

In parallel with the establishment of international MLA where there are sufficient suspicions to justify it, Swiss authorities will instigate criminal investigations into money laundering, organized crime, or similar offenses. The primary channel for any restitution of assets nonetheless remains the international MLA process, in combination with the associated criminal proceedings in the state of origin, because it is there that the evidence can generally be found that will determine whether the assets were acquired as the result of a criminal act. If the unlawful origin of the assets is evident, Switzerland may under certain conditions return the assets without any legally enforceable forfeiture order from the state concerned, as in the Abacha case, mentioned above.

Restitution

Switzerland has made it a priority to return unlawfully acquired PEP assets rapidly and in full to their country of origin. As soon as it is established that assets located and frozen in Switzerland originate from a criminal act, authorities will determine which form of restitution best takes into account the circumstances of the individual case. Experience over 25 years shows that there is no one-size-fits-all solution. Hence, Switzerland finds an ad hoc solution to ensure that the assets in question will indeed benefit the population of the country of origin. Furthermore, restitution can be a delicate matter if corruption is endemic in the country of origin of the assets. In such cases, finding a way to ensure that the assets in question will not simply be recycled into criminal activities is crucial. Possible approaches in such cases include setting up an independent monitoring mechanism, returning assets via an international organization that runs projects and programs in the country of origin, or cooperation with NGOs.

In the Sharing Act (the Federal Act Pertaining to the Sharing of Confiscated Assets), Switzerland has a legal foundation on which it can enter into international asset-sharing agreements in cases of organized crime and money laundering. The act provides for the waiver of any share of assets forfeited in Switzerland so that the entire amount is repaid to the country of origin. It is a standing policy of Switzerland to return in their entirety to the state concerned any confiscated illicit assets of PEPs originating from bribery or misappropriation of funds, without insisting on asset sharing.

Lessons Learned from the Mobutu and Duvalier Cases

The Federal Act on the Restitution of Assets of Politically Exposed Persons Obtained by Unlawful Means (Restitution of Illicit Assets Act, or RIAA) is a significant enhancement to Switzerland's legal arsenal in the field of asset recovery.² The RIAA, in force since 2011, contains legal provisions tailored

2 See http://www.admin.ch/ch/e/rs/c196_1.html; for more information, see also <http://www.eda.admin.ch/eda/en/home/topics/finec/intcr/poexp/faqria.html>.

specifically to cases in which the state structures in the country of origin are so weak that the restitution of kleptocrat funds via international MLA channels faces insurmountable barriers. The drafting of the act was prompted basically by Switzerland's experiences in the cases of Mobutu (the Democratic Republic of the Congo, DRC) and Duvalier (Haiti).

In the first case, the Swiss government made use of its emergency powers anchored in the Swiss Federal Constitution to freeze any Mobutu assets located in Switzerland immediately after the fall of the dictator in 1997.³ In doing so, the Federal Council intended to make it possible for the new government, headed by Laurent Kabila, to submit a request for international MLA within the necessary time frame. Unfortunately, due to the inactivity of the Congolese authorities, who failed to supply the information required and to initiate proceedings against Mobutu, the first international MLA procedure had to be stopped in 2003. The Federal Council, confronted with the imminent risk that the frozen assets would become available again to the members of the Mobutu family, felt it was necessary to act. Indeed, in view of Mobutu's universally acknowledged kleptocracy, the return of this money to the Mobutu family was as unacceptable to Switzerland as it was to the DRC. The Federal Council mandated the Swiss Federal Department of Foreign Affairs to make contact with the Congolese authorities in an effort to find a solution that would allow restitution of the assets. This collaboration made it possible, after several years of negotiations, to obtain the agreement of the DRC authorities to allow a Geneva lawyer, paid for by the Swiss Confederation, to begin criminal proceedings in an effort to recover these assets. A lawsuit filed in Switzerland against the Mobutu family on behalf of the DRC alleging the establishment of a criminal organization was not pursued by the Swiss Attorney General's Office. It decided not to commence investigations because the statute of limitations on the alleged acts had already expired. Unfortunately, the Congolese government instructed its lawyer not to contest the decision of the Attorney General's Office and, in doing so, destroyed all hope that the frozen assets would be returned to the Congolese people. Hence, the procedure was terminated, and Switzerland had no other choice but to unfreeze the Mobutu assets after twelve years of relentless efforts to avoid exactly that.

Switzerland regards such an outcome as extremely unsatisfactory. It is all the more objectionable that a despot continues to profit from the result of his poor governance even after he has been overthrown—it is precisely his years or decades of dictatorship that weakened state structures to the point that renders the new authorities incapable of successfully conducting MLA proceedings with a partner state. The result is that assets that are frozen in foreign financial centers, such as Switzerland, are ultimately unfrozen and placed back in the hands of the overthrown dictator.

3 See discussion in the section of this chapter entitled "The Arab Spring and Its Implications for Asset Recovery."

It seemed that the Duvalier case would have a similar outcome. Beginning in 1986, the Duvalier case went through a period involving MLA. Following the difficulties of Haiti to sufficiently substantiate their MLA request, this procedure was terminated in 2002. Again, the Federal Council decided to intervene, given the manifestly illicit nature of the assets in question. After an asset freeze was ordered on the basis of Swiss constitutional powers, negotiations for a settlement were conducted with the government of Haiti, and with the Duvalier family, but without results until 2007. President René Prével indicated his desire to combat the impunity of the Duvalier family and to take possession of the assets with the help of another MLA procedure, which made its way to the Swiss Federal Supreme Court. In early 2010, the court ruled that restitution in accordance with current Swiss law was no longer possible due to the statute of limitations. At the same time, however, the court confirmed that the assets were of illicit origin. While regretting the need to apply the statute of limitations, the court expressed its view that the conditions imposed by the Federal Act on International Mutual Assistance in Criminal Matters “seem too strict for this type of affair.” In making this observation, the court invited Swiss lawmakers to take into consideration the nature of fragile states and to try to increase their chances of benefiting from the restitution of assets.

Fortunately the authorities—prompted by experience gained in the Mobutu case—had already embarked on the corresponding legislative work. In an effort to safeguard the Duvalier assets, the government decided to freeze them while awaiting completion of the parliamentary procedure. Work on new draft legislation was driven forward with the highest priority. The Federal Act on the Restitution of Assets of Politically Exposed Persons Obtained by Unlawful Means (Restitution of Illicit Assets Act, RIAA) entered into force in February 2011, just one year after the Supreme Court’s ruling. It makes Switzerland the first nation in the world to have a law enabling the state to overcome the difficulties involved when dealing with another state that is no longer able to meet the requirements of an MLA procedure due to the collapse of all or a substantial part of its judicial apparatus or judicial dysfunction. The RIAA’s innovative approach attracted worldwide attention. Stuart Levey, the former undersecretary for terrorism and financial intelligence at the US Department of the Treasury, described the RIAA as “arguably the world’s toughest law for repatriating the ill-gotten gains of corrupt politicians.”⁴

The RIAA came into existence as a result of the difficulties encountered by the Swiss authorities in returning assets frozen in Switzerland to such states following the failure of the international MLA process to produce a satisfactory result. The aim of the act is to prevent such situations from recurring and to resolve cases of assets that have been frozen on the orders of the Federal Council’s constitutional powers. The RIAA is a subsidiary solution to the Federal Act on International Mutual Assistance in Criminal Matters. In contrast

4 See Stuart Levey, *Fighting Corruption after the Arab Spring*, Foreign Affairs (online edition, June 16, 2011), <http://www.foreignaffairs.com/articles/67895/stuart-levey/corruption-and-the-arab-spring>.

to criminal law, the RIAA makes the distinction between the conduct of PEPs and the unlawful origin of their assets. In this way, it provides for a different approach to the criminal prosecution of the PEP concerned and enables the forfeiture of assets that clearly have been obtained by unlawful means without the need for a criminal conviction against the PEP in question.

There are three stages to the repatriation of misappropriated assets under the terms of the RIAA:

- To prevent an outflow of suspicious assets, the Federal Council may, under the conditions outlined in the RIAA, take the first step of ordering that assets be frozen to secure them.
- This is followed by the forfeiture of the assets in proceedings under administrative law. Here, the state appears as plaintiff against the holder of the disputed assets.
- Once a forfeiture ruling has attained legal effect, the assets are repatriated to their state of origin in a transparent process.

A major innovation of the RIAA is the reversal of the burden of proof in respect to the unlawful origin of frozen PEP assets. With the Mobutu and Duvalier cases in mind, the law provides for a reversal of the burden of proof with regard to the assets' illicit origin. In other words, forfeiture is justified under the RIAA if the current owner of these assets is unable to prove that the assets are, in all probability, of lawful origin. This concept rests on the assumption that if a notoriously corrupt PEP or associates hold powers of disposal over an amount of assets that are out of proportion to the PEP's official salary, these assets are, in all probability, unlawful in origin.

The RIAA stipulates that the unlawful origin of assets may be presumed if both of the following two conditions are met:

- The wealth of the person who has powers of disposal over the assets has been subject to an extraordinary increase during the PEP's period of office. This provision is intended to cover two cases: one in which PEPs hold powers of disposal, and one in which the person who holds powers of disposal is not the same person who exercised a public office but is one of their associates. An "extraordinary increase" means that there is a significant discrepancy between the income derived from the public office and that generated by the assets concerned that cannot be explained by normal empirical patterns and the country's overall situation. A similar provision exists in the UN Convention against Corruption, which talks of a significant increase in the assets of a public official that he or she cannot reasonably explain in relation to his or her lawful income. Concrete evidence, to be introduced by the Swiss authorities as plaintiff, must prove that the concerned assets have increased extraordinarily over the relevant period. This would be true, for example, of a minister who became a millionaire while in office, despite not previously having had any wealth. Another example is a person associated with a PEP whose construction or service company generated very high profits from public contracts in con-

nection with the office in question. The extraordinary increase condition does not, however, apply to assets that have grown as a result of skilled portfolio management on the part of the bank with which the assets are lodged.

- There is a notoriously high level of corruption of the state or PEP in question during the PEP's period of office. Whether or not the level of corruption is "notoriously high" is determined in a status analysis based on reports from organizations, such as the World Bank or Transparency International, that conduct research work and analyses on corruption issues. Typical cases include those of Suharto, Mobutu, and Duvalier. During their periods in office, the level of corruption was recognized as high in respect to the persons themselves and the country as a whole. Criminal acts that are not necessarily classified as corruption under Swiss law but that constitute the improper conduct of a public official in other respects (for example, misappropriation of funds, embezzlement, or another unlawful use of funds) must also be taken into account in this evaluation.

The persons concerned can invalidate the presumption of unlawful origin of the assets by presenting a convincing case for their lawful enrichment. In other words, the presumption ceases to apply if it can be demonstrated that, in all probability, the assets were acquired by lawful means, specifically by presenting suitable evidence and explaining suspicious transactions.

The Swiss authorities are confident that the innovative approach of the RIAA is a significant enhancement to the legal framework for asset recovery. The first case of application of the RIAA is pending: the planned forfeiture order for the Duvalier assets. The corresponding legal action was brought before the competent Federal Administrative Court by the Swiss authorities in April 2011, just two months after the RIAA went into effect.

The Arab Spring and Its Implications for Asset Recovery

General Remarks

The upheavals in the Arab world in 2011 brought the discussion on the freezing and recovery of illicit assets attributed to PEPs to the forefront.⁵ In view of the historic dimension of the events taking place, the Swiss government decided to act very swiftly. Only a few days after the overthrow of presidents Zine el Abidine Ben Ali (Tunisia) and Hosni Mubarak (Egypt), the Federal Council invoked its emergency constitutional powers to make Switzerland the first country in the world to freeze all the assets held with its financial intermediaries by Ben Ali, Mubarak, and their associates. The Federal Council's aims were twofold. First, it wished to avoid the movement of any unlawfully acquired assets to other financial centers, thereby evading justice—at least in

5 For more information, see <http://www.eda.admin.ch/eda/en/home/topics/finec/inter/poexp/sperr.html>.

the short term. Second, its swift action sent a clear signal to the states of origin that Switzerland was willing to accept requests for international MLA so that misappropriated assets could be returned in full as quickly as possible. There were soon signs that this signal had been understood. Just a few weeks after the freeze was imposed, Switzerland received the first requests for MLA from Tunisia and Egypt. A further unilateral freeze on the assets of Muammar Gaddafi (Libya) and his associates was replaced by a regime of sanctions following the adoption of the corresponding UN sanctions in March 2011. In parallel with the efforts moving through international MLA channels, the Swiss criminal prosecution authorities began their own investigations into associates of Ben Ali and Mubarak on suspicion of money laundering and membership in a criminal organization.

The legal foundation for the preventive freezing of assets is given by a specific provision in the federal constitution. Article 184, paragraph 3, reads, "Where safeguarding the interests of the country so require, the Federal Council may issue ordinances and rulings. Ordinances must be of limited duration." The Swiss government has made use of this option in several exceptional cases, starting with the Marcos funds in 1986, to freeze assets. This tactic is a Swiss specialty: no other country practices such "constitutional freezing." Three months after the freezes with regard to Tunisia and Egypt were ordered, the government conducted an initial review of its action and decided to create a legal basis for the freezing of PEP assets for the purpose of securing them. This resolution represents a clear commitment to maintaining the practice developed over more than 25 years, that is, that Switzerland is willing to freeze assets as a preventive step in extraordinary cases to prevent their flight elsewhere and to create the best possible conditions for successful international MLA proceedings for the state of origin. The planned legal basis is intended to set out the conditions for a freeze in greater detail and to determine the basic parameters for its implementation. As a next step following the RIAA, it will complete the Swiss legal framework on asset recovery.

The successful restitution of unlawfully acquired assets via international MLA channels is a complex undertaking that demands political will, persistence, and creativity. Switzerland knows from experience that a close partnership between the requesting and the requested states is a key factor. Indeed, as the term "mutual" implies, MLA procedures cannot be successfully achieved by the requesting or the requested state alone. Furthermore, effective implementation of existing norms can sometimes be challenging. MLA proceedings are by nature rather static. Hence, in order to successfully address asset recovery, one of the main questions is how best to make dynamic use of the legal framework. This means, for example, that requests for MLA that do not satisfy all the formal requirements are not simply returned without comment or even ignored by the requested state. It is preferable in such situations actively to seek dialogue with the authorities of the requesting state to resolve possible problems such as those that might arise in connection with expert-level meetings. It can also be helpful for the requested state to make an expert in MLA and asset-tracing issues available to the authorities of the requesting

state to provide targeted support and address any outstanding questions. To date, Switzerland's experience with this approach—which was applied to the requests for international MLA from Tunisia and Egypt—has been positive. To take the Tunisian example, the local prosecutorial authorities are professional and competent, but they have handled few corruption cases in Tunisia, for obvious reasons. However, thanks to Switzerland's providing an expert in MLA and asset tracing, by the end of 2011 the Tunisian authorities were able to submit several formally complete requests for MLA to Switzerland. These were passed directly on to the Swiss judicial authorities for a substantive review.

Possibilities for Future Action

Complex asset recovery proceedings generally involve several jurisdictions. To resolve the issues that this causes, a close partnership between the requesting and the requested state is required, as is intensive communication between the various states to which requests for international MLA have been addressed when it is suspected that unlawfully acquired assets are being held within their financial sectors. Therefore, since 2001, the Lausanne Seminars have provided a forum in which experts from requesting and requested states, as well as those from international organizations (including the World Bank) are able, at Switzerland's invitation, to discuss the practical problems of asset recovery.

One year after the beginning of the Arab Spring, the purpose of the sixth edition of the seminar, held in January 2012, was to take stock of progress made and to identify challenges with a view to examining possibilities for future action. Centered on the experiences of requesting and requested states in the wake of the events in North Africa, representatives from Egypt, Libya, and Tunisia voiced their observations and concerns, followed by remarks from requesting states and third actors, such as the World Bank, the UN Office on Drugs and Crime (UNODC), the European Commission, and the International Centre for Asset Recovery, and an in-depth discussion. While acknowledging the existence and possible added value of domestic criminal investigations conducted in requested states, participants agreed that international cooperation through MLA is the prime vehicle for achieving the recovery of such assets. They identified the following key actions for accelerating pending procedures:

- Build and deepen effective MLA partnerships based on dialogue and trust between requesting and requested states through the following actions:
 - Strengthen trust and mutual understanding by developing personal contacts between the competent authorities and persons in charge in requesting and requested states.
 - Increase dialogue through institutionalized communication channels, for example, regular meetings between experts from both sides, to address issues directly and to ensure consistent follow-up to pending procedures.

- Ensure continuity with the competent authorities and persons in charge by avoiding “wandering files.”
- Improve the quality of communication; for example, no MLA request remains unanswered. If not all formal requirements are met or other problems exist from the point of view of the requested state, the requesting state is rapidly informed.
- Deepen the partnership between requesting and requested states through the joint determination of possible fields for technical cooperation, for example, by dispatching MLA experts from the requested state.
- Improve coordination mechanisms, at both international and domestic levels, with a view to making relevant information more rapidly and effectively available through the following actions:
 - Improve coordination at the domestic level by, for example, creating focal points and /or task forces in charge of pending asset recovery cases, with clearly attributed responsibilities for each task force member.
 - Use existing international practitioners’ networks more consistently, for example, in the framework of Interpol, Eurojust, Egmont, and the like, to increase the flow of information.
 - Create, if needed, new, tailor-made networks and communication platforms or international task forces to share information more effectively.
 - Explore ways to increase cooperation with financial intelligence units (FIUs) with a view to exploiting more effectively the information and intelligence available in FIU networks.
 - Collect facts on the ongoing measures of financial centers to support requesting states; for example, develop a matrix of assets frozen, seized, and finally repatriated by (and for) each state in question.
- Customize the approach that best fits a specific case, with particular attention to creativity and complementarity, through the following actions:
 - Combine the available instruments, such as MLA proceedings, domestic criminal proceedings (for example, for money laundering or for participation in a criminal organization), and civil forfeiture.
 - Within the existing legal framework, make use of one’s own MLA requests to substantiate partner states’ MLA requests by providing relevant information.
 - Increase cooperation with third actors such as the World Bank/StAR, UNODC, and nongovernmental service providers such as the International Centre for Asset Recovery, bearing in mind the important role they can play in capacity building, as well as with “match-makers” to bridge information gaps.

- Explore the possibility of establishing international standard practices in MLA proceedings and asset recovery as a blueprint for action in current and upcoming cases (typical sequencing, main legal challenges to be addressed, and the like).
- Actively search for innovative and creative solutions, bearing in mind that in asset recovery, there are no one-size-fits-all solutions.

Participants concluded their discussions by expressing the wish for a follow-up to take stock of progress and to keep the momentum developed at the seminar.

Conclusions

Experience has shown that asset recovery cases raise complex legal issues across several jurisdictions. Resolving these issues demands close and unwavering partnerships between the states involved, including the states of origin, as well as a considerable degree of tenacity and perseverance. The dynamic application of the existing legal framework can go a long way toward simplifying efforts via international mutual assistance channels and speeding up restitution. In most cases, innovation and creativity play a decisive role in asset recovery. By its very definition, however, innovation is a process. Each case that is resolved offers new insights that allow the authorities concerned to review their procedures, amend them as necessary, and develop new approaches for the future.

Switzerland has a fundamental interest in ensuring that its financial sector is not used as a hiding place for assets of unlawful origin. Since the Marcos case in 1986, Switzerland has gathered a great deal of experience in the field of asset recovery and has refined its national legal framework accordingly. Regular contact with the competent authorities of partner states has been an important part of this development. Switzerland plans to continue this dialogue through knowledge and experience sharing and will maintain its commitment in this area.