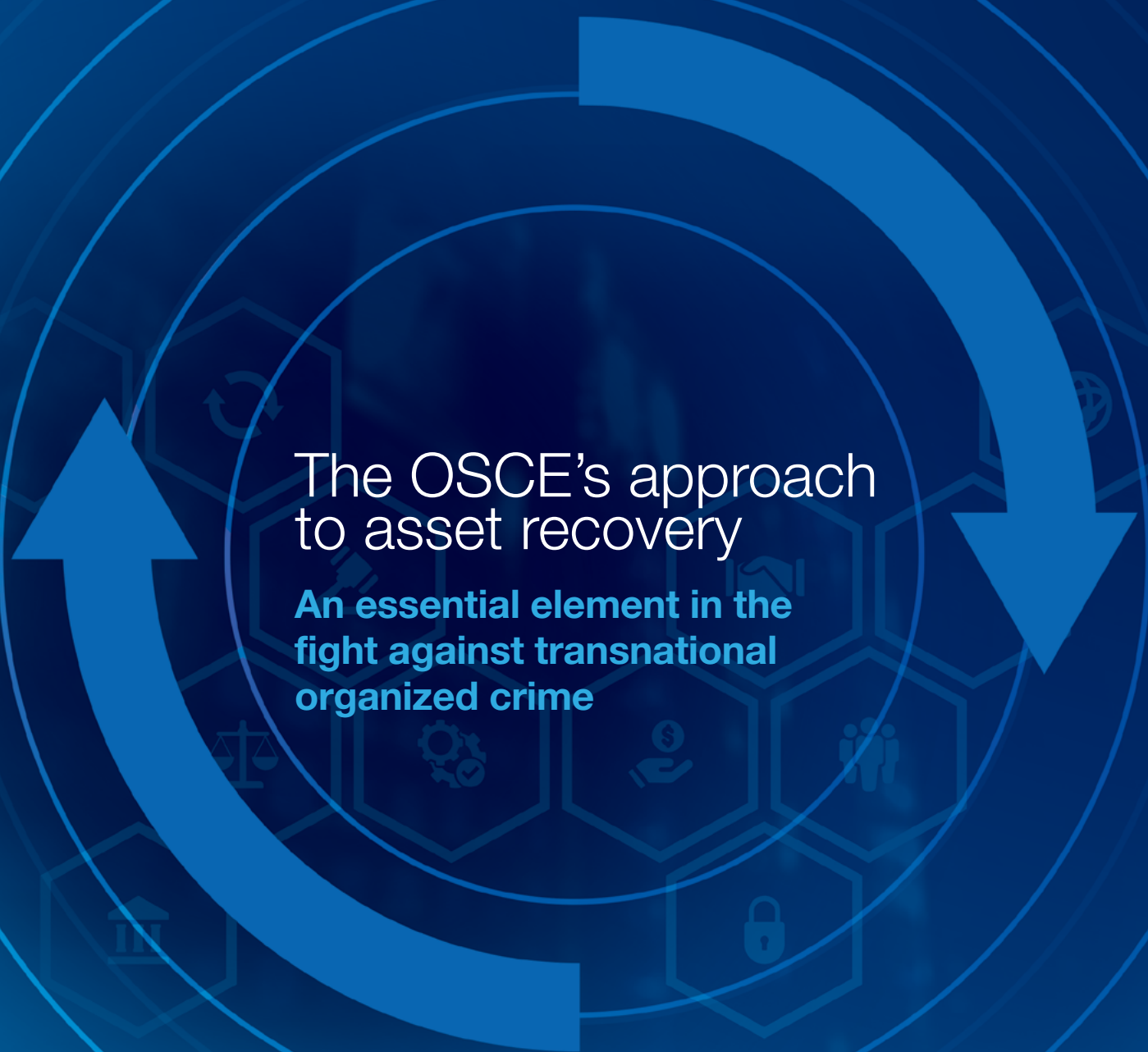




The OSCE's approach to asset recovery

**An essential element in the
fight against transnational
organized crime**

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Organization for Security and
Co-operation in Europe



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1. What is asset recovery?

Transnational organized crime and other forms of serious crime frequently result in significant financial gains, allowing criminals to amass wealth at society's expense. In conducting their illegal operations, criminals often exploit differences in legal systems, levels of institutional capacity or gaps in cross-border co-operation. Effectively targeting illicit proceeds of crime therefore requires engaging as many national actors as possible in dialogue, and promoting the development of contacts and partnerships between authorities across borders.

Asset recovery is a legal and operational process aimed at tracing, freezing, confiscating and, where appropriate, returning financial or material assets acquired through illegal activities. Asset recovery processes rely on the expertise of law enforcement, judicial and administrative entities, co-operation between them, and the clear division of their responsibilities and labour.¹

Promoting asset recovery is part of the OSCE's comprehensive approach to security. It also contributes to the OSCE's broader mission of promoting and facilitating co-operation among participating States. Over the years, the OSCE has supported participating States, upon request, in strengthening their responses to transnational organized crime by helping them to increase their capacity to conduct financial investigations, including the tracing, confiscation and management of illegally acquired assets through fair and transparent processes, as well as by fostering co-operation and promoting competence and knowledge.

The OSCE provides a platform for the exchange of existing practices among participating States, including the return of tangible assets to victims or communities. As part of the OSCE's efforts, it has been highlighted how such models contribute to promoting a culture of legality, transparency and accountability.

Effective asset recovery mechanisms contribute to the collective capacity of States to address and overcome threats posed by transnational organized crime and corruption. The following guide provides answers to some of the most common questions regarding asset recovery, its role in the fight against transnational organized crime, and the OSCE's approach toward promoting and strengthening asset recovery efforts across its participating States.

¹ For more information on the asset recovery process and the involved entities, see below, Section 5: "What is the asset recovery process?"

2. How does asset recovery help in the fight against transnational organized crime?

Asset recovery ...

...delivers a public good:

Asset recovery is a crucial tool for tackling transnational organized crime and corruption, complementing other preventive and enforcement measures to form a robust approach against illicit activities. In fair and just societies, it is important that crime does not yield financial benefits. Asset recovery reflects this principle by helping to ensure that unlawfully acquired gains are returned to their rightful owners or to communities.

...is necessary for modernizing security approaches:

“Traditional” confiscation methods are limited to the property involved in the particular offence for which a defendant is convicted. This is inadequate for depriving transnational organized crime groups of their ill-gotten gains. In some legal systems, additional instruments, such as extended confiscation or non-conviction-based confiscation, are needed to deprive criminals of illegally acquired wealth.

...acts as an international deterrent:

Asset recovery acts as a deterrent against transnational organized crime and corruption at all levels, since it sends a clear message to potential offenders regarding the stringent consequences of such criminal activities. Within international co-operation frameworks, this deterrent effect is particularly significant in strengthening the global fight against organized crime and corruption.

...and provides restorative justice:

Asset recovery provides visible restitution for victims and specific disadvantaged communities. It not only facilitates the return of illegally acquired assets, but also symbolizes a move towards justice and order. This helps rebuild trust in the justice system, trust that has often been diminished by corruption and crime. Strong collaboration between government institutions and civil society organizations is key in achieving this goal.



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3. What is the international legal and policy framework for asset recovery?

Asset recovery is increasingly recognized at the international level as an essential tool for tackling transnational organized crime and other serious crime, including money laundering and corruption. For this reason, over the years States have continued to refine their legal and policy frameworks to address emerging threats by means of asset recovery.

United Nations Conventions

The United Nations has acknowledged the role of asset recovery in the fight against crime and corruption over several decades. Some of the most prominent international legal tools providing a legal basis for asset recovery have been developed within the context of the United Nations, starting with the Vienna Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.

The Palermo Convention on Transnational Organized Crime of 2000 (UNTOC) contains more detailed provisions on asset recovery with respect to the identification, freezing, seizure and confiscation of assets derived from criminal activities. The aim of these provisions is

to significantly impede the financial flows that fuel organized crime networks. By promoting international co-operation and mutual legal assistance in asset recovery, the UNTOC paves the way for a more harmonized and effective global response to tackle the economic dimensions of organized crime.²

Similarly, the 2003 United Nations Convention Against Corruption (UNCAC) incorporates crucial asset recovery provisions, marking a significant milestone in the global fight against corruption. These provisions are instrumental in enabling States to identify, freeze, seize and ultimately recover assets obtained through corrupt practices.

OSCE commitments

OSCE participating States have adopted several politically binding commitments to enhance the fight against transnational organized crime and corruption, and to advance asset recovery.

Concerned by the adeptness of organized crime to exploit globalized economies and its negative impact on societies, Ministerial Council Decision 5/06 urged OSCE participating States to address organized crime as an important threat, recommending an integrated approach in the adoption of national strategies and increased efforts to enhance international co-operation, co-ordination and exchange of information.³

² The 2005 OSCE Ministerial Council in Ljubljana underscored the links “between transnational organized crime and other threats, such as illicit drugs, terrorism, illicit trade in small arms and light weapons, as well as in sensitive materials and technologies, trafficking in human beings, smuggling of migrants, cybercrime, corruption and illegal migration in the context of organized crime and money laundering”, reiterating that the OSCE concept of comprehensive security is well placed to enhance the ability of all participating States to tackle the threat of organized crime, and inviting participating States to consider becoming parties to the United Nations Convention against Transnational Organized Crime and its Protocols. See OSCE MC.DEC/3/05, *Combating Transnational Organized Crime*, available at <https://www.osce.org/files/f/documents/0/8/17419.pdf>.

³ See OSCE MC.DEC 5/06, *Organized Crime*, available at <https://www.osce.org/files/f/documents/3/d/23060.pdf>.

With its Decision on Strategic Framework for Police-Related Activities in 2012, in accordance with the existing commitments of participating States regarding police-related issues, the OSCE Permanent Council outlined a number of thematic priorities. The Decision highlights that, upon request, the OSCE will deliver or facilitate specialized training in criminal investigation for law enforcement agencies and other criminal justice system actors, particularly to enhance capacities in techniques which have proven effective in organized crime cases, including financial investigations, seizures of proceeds of crime, and tracing of money flows.⁴

At the Ministerial Council meeting held in Dublin in December 2012, OSCE participating States emphasized “the fundamental importance of effectively preventing transfers of the proceeds of crime [...] and of recovering stolen assets, for the credibility of our anti-corruption efforts and for economic development.” They acknowledged that “asset recovery requires appropriate legal frameworks and institutions, empowered practitioners with proper skills and resources, proactive and swift international co-operation, networking frameworks and strong political will.” Hence, they voiced their support for actions focused on “removing barriers to asset recovery, inter alia, by increasing the efficiency of legal procedures and preventing abuse of those procedures, enhancing efforts to prevent money-laundering, and strengthening international co-operation on asset recovery.”⁵

In the Ministerial Council Decision adopted in Tirana in 2020, OSCE participating States acknowledged the detrimental impacts of corruption on “security, stability, democracy, effective governance and economic and social development”, underscoring the imperative to address corruption comprehensively at both “international and national levels”, and recognizing its risks to “security, stability, democracy, effective governance and economic and social development”. They advocated for addressing the connections between corruption and financial misconduct, emphasizing the “effective implementation of asset recovery measures” alongside enhanced international and regional co-operation to curb corruption and promote transparency.⁶

4 OSCE Permanent Council, Decision No. PC.DEC/1049 of 26 July 2012, *OSCE Strategic Framework for Police-Related Activities*, available at <https://www.osce.org/files/f/documents/8/8/92559.pdf>.

5 OSCE Ministerial Council, Declaration No. MC.DOC/2/12 of 7 December 2012, *Declaration On Strengthening Good Governance And Combating Corruption, Money-Laundering And The Financing Of Terrorism*, available at <https://www.osce.org/files/f/documents/1/5/97968.pdf>.

6 OSCE Ministerial Council, Decision No. MC.DEC/6/20 of 4 December 2020, *Preventing and Combating Corruption Through Digitalization And Increased Transparency*, available at <https://www.osce.org/files/f/documents/3/7/479759.pdf>. At the same meeting held in 2020, the Ministerial Council adopted the *Declaration on Strengthening Co-operation in Countering Transnational Organized Crime*, which underlines the importance of applying a holistic and comprehensive approach in countering transnational organized crime and its root causes, “in order to prevent and reduce opportunities for organized criminal groups to operate in, or infiltrate the fabric of, our societies, licit economies, and institutions, or to benefit from the proceeds of their crimes.” See OSCE Ministerial Council, Declaration MC.DOC/1/20 of 4 December 2020, *Declaration on Strengthening Co-operation in Countering Transnational Organized Crime*, available at <https://www.osce.org/files/f/documents/e/5/479768.pdf>.

FATF standards for effective asset recovery

The Financial Action Task Force (FATF) sets out international standards for combating money laundering and the financing of terrorism and proliferation. One such standard is the seizure and confiscation of proceeds and instrumentalities of crime. The effectiveness and compliance of the FATF members, including OSCE participating States, is regularly evaluated by the Council of Europe’s monitoring body Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), and by the Eurasian Group (EAG) for several OSCE participating States in Eurasia.

The FATF’s methodology for assessing operational effectiveness requires that the “proceeds and instrumentalities of crime are confiscated”. The FATF has set out the following characteristics of an effective asset recovery system: “Criminals are deprived (through timely use of provisional and confiscation measures) of the proceeds and instrumentalities of their crimes, both domestic and foreign, or of property of an equivalent value. Confiscation includes proceeds recovered through criminal, civil or administrative processes; confiscation arising from false cross-border disclosures or declarations, and restitution to victims (through court proceedings). The country manages seized or confiscated assets and repatriates or shares confiscated assets with other countries. Ultimately this makes crime unprofitable and reduces both predicate crimes and money laundering.”⁷

At its October 2025 Plenary Meeting, FATF released the “Asset Recovery Guidance and Best Practices” which covers key topics ranging from modern financial investigations and timely asset-securing measures to safeguarding rights and compensating victims through recovered assets. The Guidance includes more than 85 real-world case examples and recovery techniques contributed by experts across the FATF Global Network, covering all phases of the investigative and legal process. It supports countries in implementing FATF Recommendations on asset recovery and provides practical tools to recover illicit proceeds and strengthen international co-operation in combating money laundering and other serious crimes. The OSCE contributed to the development of this Guidance.

7 The full text of the FATF recommendations can be found [here](https://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatf-recommendations.html). See in particular recommendations number 1. Assessing risks; 4. Confiscation; 30. Responsibilities of law enforcement; 31. Powers of law enforcement; 32. Cash couriers; 37. Mutual legal assistance; 38. Mutual legal assistance: freezing and confiscation; 40. Other forms of international co-operation.

4. How does asset recovery fit into the OSCE's comprehensive approach to security?

As the world's largest regional security organization, the OSCE aims to foster stability, peace, and democracy across its 57 participating States by adopting a comprehensive approach to security that encompasses politico-military, economic and environmental, and human dimensions. The OSCE assists its participating States in addressing transnational threats, including organized crime and corruption, and in promoting good governance, rule of law, and protection of human rights.

Asset recovery is a cross-cutting field that intersects with all three dimensions of the OSCE's comprehensive approach to security. While asset recovery is traditionally seen through the lens of criminal justice as a tool to fight organized crime and corruption, it also addresses the negative impact that illicit financial flows linked to criminal organizations have on the legal economy.

The OSCE's politico-military dimension

In the politico-military dimension, OSCE participating States have a long-standing commitment to co-operate in the fight against organized crime. Participating States reaffirmed their concern regarding the "vast wealth" and the "tremendous power" wielded by organized crime, "potentially undermining the democratic values in our societies and threatening the safety and security of ordinary citizens directly and indirectly".⁸ Asset recovery

acts as a potent tool to deter, disrupt and dismantle transnational organized crime and other serious criminal activities, including money laundering and corruption, contributing to countering the security implications arising from these threats and to strengthening the rule of law.

The OSCE's economic and environmental dimension

Economic development and stability are often threatened by crimes that generate financial gains through corrupt practices, such as fraud, money laundering and other financial offences. These crimes can divert critical funds away from essential public services including health care, education and infrastructure, for private gain. This not only hampers social development but also perpetuates inequality, creating conditions that may foster extremism and radicalization. Recovering such illicitly obtained assets through asset recovery

⁸ Ministerial Council Decision 05/06, Organized Crime, available at <https://www.osce.org/files/f/documents/3/d/23060.pdf>.

contributes to a more just, equitable, competitive, transparent and accountable economic environment, in line with the OSCE's efforts to promote good governance and the overall security of participating States.

The OSCE's human dimension

OSCE participating States have agreed that lasting security cannot be achieved without respect for human rights and functioning democratic institutions. They have committed themselves to a comprehensive catalogue of human rights and democracy norms. These form the basis of what the OSCE refers to as the "human dimension" of security. By fostering a culture of accountability and legal compliance, asset recovery supports the OSCE's objectives of promoting just societies and human rights, which are essential elements to achieving comprehensive security.

Interface of the OSCE's comprehensive approach to the FATF list of crimes

Recovering criminal assets is more than depriving criminals of illegal gains such as cars, villas or companies. Asset recovery derives from the financial investigation of predicate crimes, that is, those that generate financial gains. Giovanni Falcone was an Italian magistrate who dedicated his life to the fight against organized crime. Moved by an extraordinary sense of duty, he strongly advocated an innovative investigative method to "follow the money" in financial investigations involving banks and financial institutions, both in Italy and abroad. This approach was conducive to identifying the movement of suspicious assets and establishing their links to organized crime activities. The method is still followed internationally to tackle organized crime.

All OSCE participating States participate in the FATF Global Network – either through the FATF, or FATF-Style Regional Bodies (FSRBs), such as MONEYVAL and the Eurasian Group (EAG). The FATF has developed a list of predicate crimes for which asset recovery is recommended as necessary. Several of these crimes align with domains in which the OSCE operates under its mandates and its comprehensive approach to security. The crimes listed by the FATF for which asset recovery is recommended are the following⁹:

- Participation in an organized crime and racketeering
- Terrorism, including terrorist financing
- Trafficking in human beings and migrant smuggling
- Sexual exploitation, including sexual exploitation of children
- Illicit trafficking in narcotic drugs and psychotropic substances

- Illicit arms trafficking
- Illicit trafficking in stolen and other goods
- Corruption and bribery
- Fraud
- Counterfeiting currency
- Counterfeiting and piracy of products
- Environmental crime
- Murder, grievous bodily injury
- Kidnapping, illegal restraint and hostage-taking
- Robbery and theft
- Smuggling (including in relation to customs and excise duties and taxes)
- Tax crimes (related to direct taxes and indirect taxes)
- Extortion
- Forgery
- Piracy
- Insider trading and market manipulation

This list illustrates the general utility of asset recovery and its potential to enhance security and legal frameworks. It offers a structured approach to tackling transnational crimes and fostering economic development.

Practical application of asset recovery to the OSCE mandate

Across all OSCE dimensions, asset recovery can serve as a significant resource. For instance, a specialist engaged in good governance might consider implementing asset recovery to amplify the impact of criminal cases of corruption and bribery. This avenue not only deters corrupt practices, but also reinstates misappropriated resources, fostering a culture of accountability. Similarly, asset recovery can contribute significantly to achieving goals in the environmental domain. When compared to the often modest fines imposed by regulators, asset recovery from environmental crimes can accumulate to millions of euros, thus not only serving as a more effective deterrent, but also as a means to address related financial damages inflicted upon communities and ecosystems.

These examples illustrate how incorporating asset recovery can serve as a practical tool across the OSCE's comprehensive approach to security, supporting efforts to strengthen security, justice and sustainable development in participating States, while contributing to more resilient institutions and societies, and to Sustainable Development Goals of the United Nations, especially to SDG 16: Peace, Justice and Strong Institutions.

⁹ FATF recommendations from October 2025-see Glossary: [FATF Recommendations 2012.pdf.coredownload.inline.pdf](#)

5. What is the asset recovery process?

Asset recovery represents a process whose capacity and effectiveness improve with each iteration. The process generally begins with the identification of assets linked to criminal activities and culminates, in accordance with national legal frameworks, in the confiscation of such assets or funds. Confiscated assets may subsequently be allocated in accordance with national legal frameworks, including for law enforcement purposes and/or the benefit of communities affected by crime. This can lead to improved capacities for restarting the cycle of asset tracing, freezing and confiscation, as well as to increased public confidence in the criminal justice system.

Information to intelligence

The first step of the asset recovery process is to collect suspicious financial information that may reveal illegal activities or illicit financial transactions of criminals. Information of this kind is held by various public and private organizations and can be accessed by financial intelligence officers and other competent authorities. Such financial information may include suspected proceeds of crime, suspicious activity reports to financial intelligence units (FIUs), or undeclared cash discovered at borders. It may also be part of revenue and customs regulatory investigations, or criminal investigations. Through meticulous analysis, such data can be used to support and inform financial investigations. For effective asset recovery, it is crucial to conduct parallel investigations into criminal activities and possible related money laundering. Effective asset recovery regimes benefit from intelligence-led policing approaches emphasizing the collection of information not only about criminals and criminal enterprises, but also about their assets. Such information can be used to plan and prioritize operational and investigative action, as

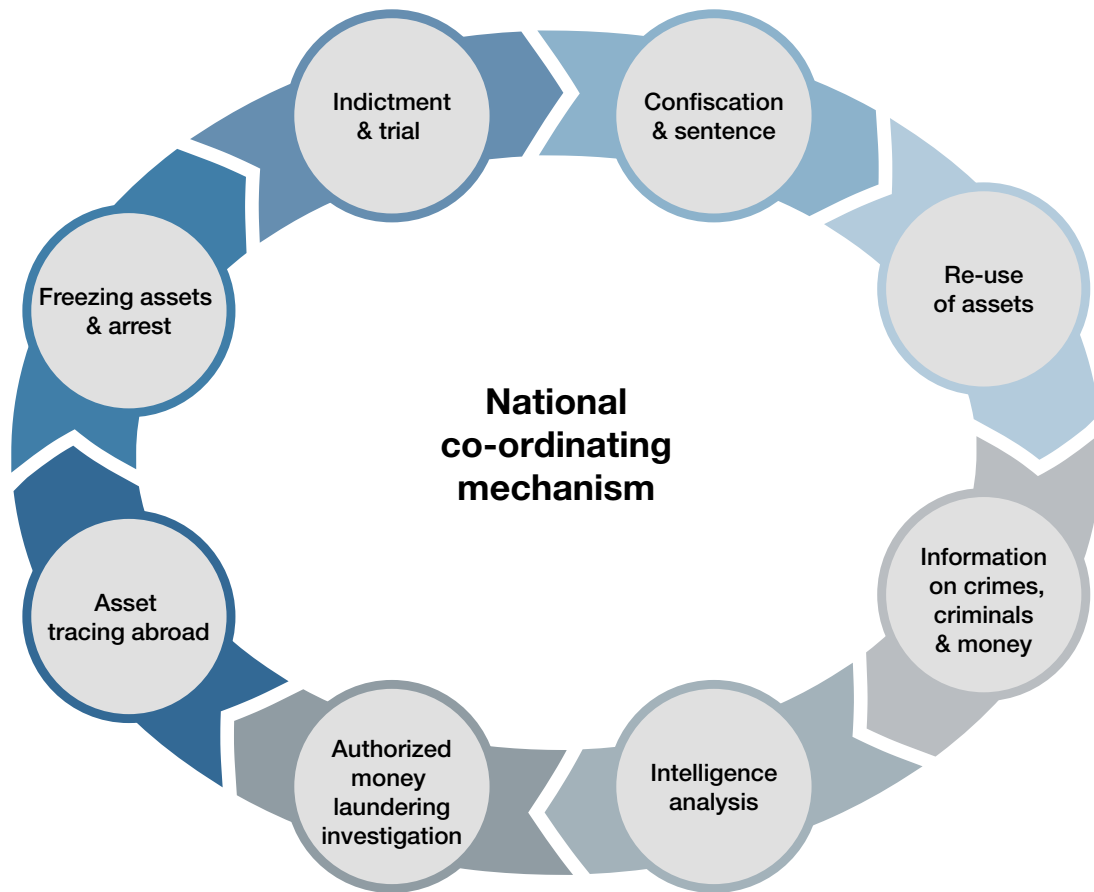
well as to provide evidence to the judiciary. Intelligence-led approaches benefit the asset recovery cycle at all stages, including during the often overlooked but important stage of pre-seizure planning.

International asset tracing to seizure

Once a tracing process is complete, criminal proceedings may continue with co-ordinated measures, which include arrests (or other pre-trial measures) and asset freezing. Following this, standard legal procedures begin, which may lead to convictions of the defendants involved. Final confiscation of assets may then take place.

Confiscation to asset re-use

Lastly, confiscated assets, including monetary resources, are sold or put to productive use. This includes targeted investments in communities affected by crime or strengthening institutional capacities. These efforts mark the restart of the asset recovery process, with new and improved capacities.



Community engagement for new information

This continuous cycle is often supported by a national co-ordinating mechanism depending on national institutional arrangements. The mechanism can help ensure that there are minimal gaps between each stage of the cycle, and that legal, procedural and staffing resources are operationally effective.

In addition to the criminal justice process, countries also need to manage seized or frozen assets. Asset management offices, courts and prosecutors need to work together closely to ensure that asset value is preserved, court orders are practicable, and interference by defendants is prevented. The re-use or sale of assets offers an opportunity for competent authorities, working together, to positively engage with communities to prevent crime, encourage civic engagement, and show that crime does not pay.

Resourcing the asset recovery process

From the perspective of resource demand, asset recovery can be seen as a fluctuating process, as presented in the figure below.

There are pronounced peaks of resource requirements. These are mainly concentrated at the outset of an investigation during the tracing and freezing of assets and the arrest of defendants. Progressively fewer resources are needed as criminal proceedings follow their natural course.

In broad terms, agencies allocate resources for asset recovery as follows:

- **Investigation:** Resources are dedicated to in-depth inquiries and evidence gathering.
- **Prosecution:** Building a strong case and supporting court proceedings.
- **Court proceedings:** Court administration, proceedings and final decision.



6. What types of asset recovery exist?

In many legal systems, asset recovery is a part of ordinary criminal proceedings. Competent authorities, including police and prosecution services, routinely seize assets that may constitute evidence and/or direct proceeds of crime. For example, they may seize instruments used to commit crimes, such as mobile phones or vehicles, as well as objects that are the direct outcome of criminal activities, such as stolen or smuggled goods, cash, narcotics or counterfeit products. If the defendant is subsequently convicted, such assets are then confiscated by the court.

However, investigators, prosecutors and judges often find it difficult in basic cases to go a step further and use laws and available legal mechanisms also to trace, seize and confiscate assets representing indirect proceeds of crime, namely, assets that may not be directly linked with the criminal acts themselves, but may have been acquired through wealth generated by criminal activities or by investing criminal proceeds in the legal economy.

To recover indirect proceeds of crime, various models exist in different legal frameworks. The most commonly known measure that allows targeting other assets owned by a convicted person is “extended confiscation”. This is an important tool aimed at preventing criminals from profiting or benefiting from their wealth. It is especially useful in transnational organized crime cases, in which assets are often intermingled, making their illicit origin hard to trace.¹⁰

Basic extended confiscation systems are conviction-based, that is, they are contingent on a criminal conviction. This allows the confiscation of assets only after final conviction of an individual for a certain crime. Such systems often face limitations, because an acquittal of the defendant may lead to the restitution of frozen assets under certain legal systems, even those that are clearly of illicit origin.

These challenges have led to the development of additional legal mechanisms, including non-conviction-based (NCB) asset recovery. This approach enables authorities to seize assets derived from criminal activities without the need for a prior criminal conviction. Unlike criminal trials, NCB proceedings are civil cases focusing on assets rather than individuals. The standard of proof is the “balance of probabilities”, a lower standard than the criminal standard of “beyond a reasonable doubt”.¹¹ This means that a court must determine that

¹⁰ Asset recovery methods, when applied in accordance with good practices, have been found to meet all judicial standards commonly encountered across the OSCE area.

¹¹ This criminal standard is applicable to many jurisdictions in the OSCE area, including the United States and the Member States of the European Union.

it is more likely than not that the assets in question are the proceeds of crime. Successful demonstration of this standard can lead to the confiscation of such assets.

NCB regimes should include robust judicial oversight and safeguards for the rights of defence consistent with international human rights standards, ensuring fairness, proportionality and access to effective remedies. Extended confiscation and/or non-conviction-based asset recovery are of far greater value in terms of deterrent, impact and monetary value. By applying a different standard of proof and focusing on the assets rather than the individual, they provide a pragmatic approach to disrupting criminal enterprises. They also sever the link between (final) criminal conviction and the confiscation of a given asset, allowing prosecutors to most effectively leverage financial investigation outcomes.

There are two particularly important mechanisms that are used in various OSCE participating States. First, the prevalence of undeclared cash being carried across national borders is an opportunity for better international co-operation and asset recovery. Currently this is often dealt with administratively without considering criminal asset recovery.

Secondly, the civil recovery of cash believed to represent the proceeds of crime has been implemented to great effect in the OSCE participating States of Ireland, the United Kingdom and the United States. The application of civil recovery measures represents a significant proportion of asset recovery in these countries and often underpins further asset recovery mechanisms.

Proceeds of crime

Extended or non-conviction based asset recovery

real estate,
bank deposits,
luxury goods,
investments

Evidence of crime

Basic asset recovery

smuggled,
stolen,
or illegal cash
or goods

Instruments used for crime

Instrumentalities

7. Which agencies are engaged in the asset recovery process?

Asset recovery is a cross-cutting issue that typically involves close and ongoing co-operation among various ministries, including Ministries of the Interior, Finance, Foreign Affairs, State Property, and Justice. Independent bodies such as central banks or financial intelligence units may also be engaged.

Financial information

The asset recovery cycle typically begins when a combination of financial and criminal information creates a suspicion that certain assets are the proceeds of crime. Such information may come from bodies with responsibility for the financial sector, such as the central bank, a financial intelligence unit, or customs and tax agencies connected to the Ministry of Finance. Such agencies may also have investigative functions.

The FATF has developed the concept of parallel investigation, whereby a traditional criminal investigator gathers evidence of crime and a financial investigator gathers evidence of the proceeds of crime.

In the figure to the right, the steps of a criminal investigation process are placed side by side with those of a financial investigation. While their focus may differ, both traditional crime investigators

Asset recovery: Public agencies involved

MINISTRY OF FINANCE	MINISTRY OF INTERIOR	MINISTRY OF JUSTICE	INDEPENDENT DEPARTMENTS	MINISTRY OF FOREIGN AFFAIRS
Tax Administration Customs Service	Police Service Intelligence Service	Special Prosecution Offices General Prosecution Office Asset Recovery Office	Asset Management Agency Financial Intelligence Unit Judiciary	Overall responsibility for international relationships and asset-sharing agreements



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and financial investigators rely on similar core skills of evidence gathering and presentation. With appropriate training and experience, criminal investigators may develop financial investigation expertise. In many cases, the task force model of integrated teams of investigators, including financial investigators, can greatly benefit asset recovery efforts planned during criminal investigations.

Criminal information

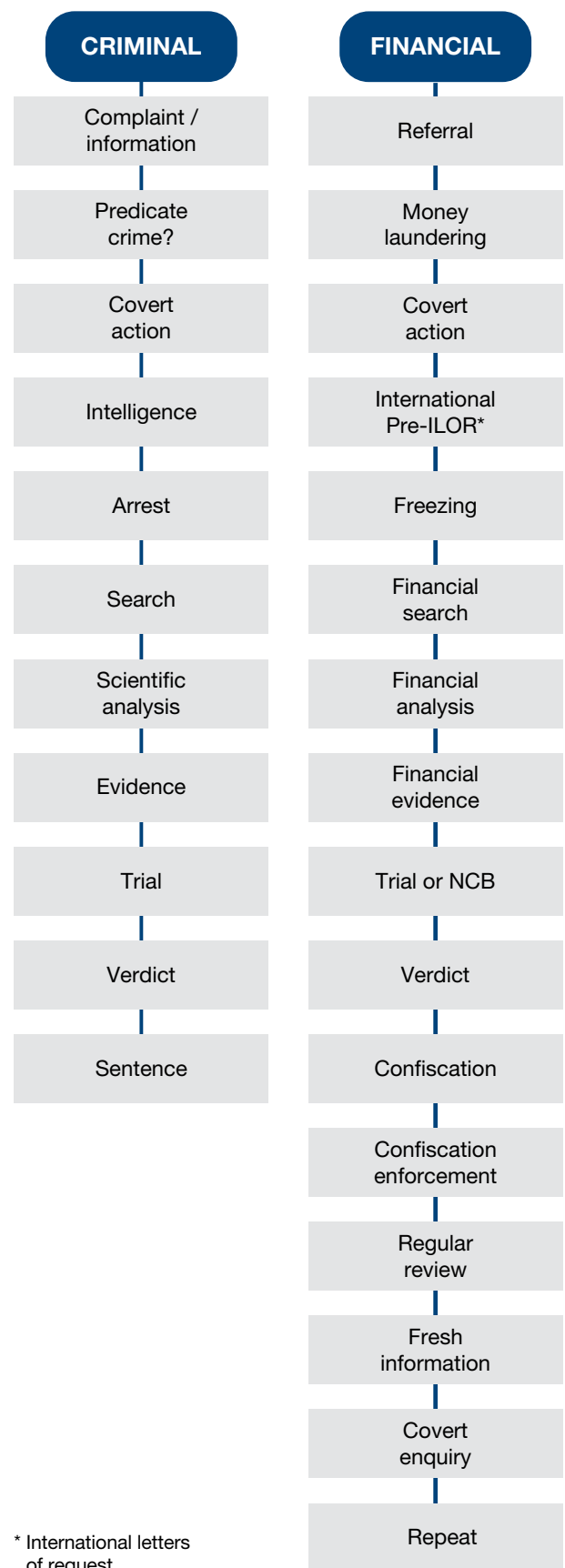
Criminal information is typically collected and managed by government agencies reporting to Ministries of the Interior and Justice. Ordinary police and prosecution services may come across suspected proceeds of crime in the process of routine crime investigations. In contrast, specialist police and prosecution services proactively seek suspected proceeds of crime.

International and interagency co-operation (see also Section 9, below)

As soon as it is suspected that certain assets may be the proceeds of crime, freezing or seizing may be considered. This may require international co-operation. This step is often undertaken by specialist prosecutors or other competent authorities, depending on the legal framework of the jurisdiction. In certain cases, the Ministry of Foreign Affairs may also be involved, particularly where international co-operation is required. Final confiscation is generally ordered by the judiciary, exercising its coercive powers in accordance with national law.

Table of institutions and agencies

Although the exact division of tasks and responsibilities may vary from country to country, the figure below lists possible agencies engaged in cycles of asset recovery. To ensure smooth co-ordination between them, permanent integrated teams composed of representatives from various Ministries may be created.



8. Why can it be difficult to recover assets gained through criminal activities?

Asset recovery is a relatively new and challenging concept

In many OSCE participating States, the ability to recover assets that are the proceeds of crime through legal means is relatively new. While law enforcement authorities have significant experience in recovering crime instrumentalities or material gains, recovering the proceeds of crime often proves much more difficult.

Recovering and managing virtual assets presents an even greater challenge due to their decentralized, pseudonymous, and highly technical nature. Unlike traditional financial assets, cryptocurrencies can be transferred instantly across borders without intermediaries, making tracing and freezing them more complex. Law enforcement agencies often face limited access to blockchain analytics tools, insufficient technical expertise, and legal gaps in defining, seizing, and storing digital assets. Moreover, ensuring the secure management and liquidation of confiscated virtual assets requires specialized infrastructure and

clear procedures, which many jurisdictions are still in the process of developing.

At the same time, the growing importance of recovering and managing virtual assets reflects the rapid expansion of the digital economy and the increasing use of cryptocurrencies in both legitimate and illicit financial flows. Strengthening national capacities in this field is increasingly important to ensure that criminal proceeds – whether held in traditional or digital form – can be effectively traced, seized, and returned in accordance with the rule of law. Enhancing co-operation between financial intelligence units, prosecutors, regulators, and international partners is therefore critical to keeping pace with evolving technologies and maintaining financial integrity.

Need for international co-operation

Given the nature of transnational and organized crime, asset recovery often entails the need for swift and effective international co-operation. In some jurisdictions, prosecutors

and judges may have limited exposure to international cases. Possible challenges include differences in language and legal terminology, and differing procedural and legal requirements. Moreover, allocating national resources to respond to international requests may present practical challenges.

Limited experience in some OSCE participating States

Some participating States may have limited experience in receiving or submitting effective international legal requests for asset tracing, freezing or confiscation. In certain instances, authorities may face challenges in identifying the appropriate channels for seeking assistance. Limited experience in drafting mutual legal assistance (MLA) requests to facilitate asset recovery efforts may result in less effective submissions, delayed responses or challenges in securing the seizure of criminal assets in another country.

Another consideration relates to varying levels of confidence

among investigators regarding the ability of another agency to handle sensitive information appropriately. In addition, differences in national legal frameworks governing disclosure and the handling of intelligence may pose practical challenges to timely and effective information sharing among participating States.

The perceived trade-off between asset recovery and criminal prosecution

In some cases, policymakers and international bodies perceive a tension between pursuing asset recovery and conducting criminal prosecution. Financial investigations and asset recovery measures are often time-sensitive in order to secure the assets before they can be dissipated or concealed. By contrast, the procedural steps of a criminal prosecution can often proceed at a more measured pace, as the suspect may be held in custody or otherwise subject to judicial control. In practice, securing assets may therefore prove more complex than securing individuals.



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9. What international forums exist to promote co-operation in the field of asset recovery?

Some OSCE participating States have long co-operated in the field of asset recovery in a variety of international settings.

Practitioner networks have enhanced regional co-operation, fostered information sharing, and provided platforms for exchanging operational experiences and good practices. They have also contributed to better national cross-agency co-ordination.

International networks of asset recovery agencies

In 2000, European and North American countries formed the Camden Asset Recovery Inter-Agency Network (CARIN). The network's secretariat is located at Europol's [European Financial and Economic Crime Centre](#). The network has links to regional asset recovery interagency networks around the world, including those in OSCE participating States. Each Member State of the network has a prosecutor and a law enforcement expert who serve as contact points to explain asset recovery procedures to international and local colleagues. This referral and explanatory function facilitates the formal processes of mutual legal assistance.

European Union networks

OSCE participating States that are members of the European Union (EU) have established asset recovery offices (AROs) to effectively manage and expedite international asset recovery requests, which represents an important component in efforts to address transnational organized crime and corruption. These specialized units play an important role in tracing and recovering illicit assets across EU borders, and in disrupting the financial networks of criminal enterprises. Beyond the EU, similar AROs have been implemented in neighbouring non-EU OSCE participating States, which has created a broader and more cohesive network to combat financial crimes.

In April 2024, the European Union adopted Directive (EU) 2024/1260 on asset recovery and confiscation, which updates and replaces Directive 2014/42/EU by strengthening minimum rules on tracing, freezing, confiscation and management of criminal assets, and by requiring each Member State to establish or designate a national Asset Management Office. The Directive also addresses the growing role

of virtual assets in money laundering and asset concealment, strengthening the powers of national authorities to trace and manage crypto-assets.

All of these offices are bolstered significantly by the support and co-ordination provided by Eurojust, the EU's hub for judicial co-operation. Eurojust supports the co-ordination of complex cross-border cases and promotes the adoption of good practices in the management and re-use of recovered assets, thereby reinforcing efforts against organized crime and corruption. At the European level, the European Public Prosecutor's Office is also increasingly relevant in terms of asset recovery efforts related to the recovery of misappropriated EU funds.

World Bank, UNODC, ICAR, Interpol and BAMIN

The World Bank and the United Nations Office on Drugs and Crime (UNODC) play an important role in supporting the Stolen Assets Recovery Initiative (StAR), which includes a comprehensive asset recovery casework database. This initiative is crucial in facilitating the recovery

and return of stolen assets. Complementing this, the International Centre for Asset Recovery (ICAR) offers hands-on assistance and specialized expertise to national authorities to support them in effectively tracing and reclaiming illicit wealth.

Additionally, Interpol has established the Asset Recovery Focal Points platform, a secure communication network designed specifically for law enforcement officials. This platform enhances international co-operation and co-ordination to enable the swift and secure exchange of information that is critical to successful asset recovery operations.

Moreover, the Balkan Asset Management Interagency Network (BAMIN), which gathers together 24 asset management agencies from South-Eastern Europe and beyond, facilitates co-operation and the sharing of challenges and good practices to ensure the cost-effective management of criminal assets. The OSCE has supported this network since 2020, including by facilitating its annual general meetings and other exchanges, providing a platform for member agencies to share experiences, discuss challenges, and exchange information on asset management practices.

10. How is the OSCE supporting participating States' efforts to improve asset recovery?

The FATF evaluation process for operational effectiveness in confiscation uses four grades.¹² Mutual evaluation results published by the FATF and FATF-Style Regional Bodies, including MONEYVAL, indicate that a large proportion of OSCE participating States fall within the moderate or low effectiveness categories for Immediate Outcome 8 on confiscation.¹³ This suggests that strengthening asset recovery frameworks remains a shared challenge across the OSCE region.

In response, the OSCE assists participating States by providing a platform for dialogue and awareness-raising on asset recovery, information sharing about good practices across the OSCE area, and supporting efforts to enhance legal frameworks. The OSCE also facilitates international visits, workshops, formal training events, and expert advice.

The OSCE facilitates co-operation and the exchange of good practices, knowledge and experience on asset recovery among participating States through targeted capacity-building and regional dialogue initiatives. These efforts focus on strengthening legal and institutional frameworks for asset seizure, confiscation, management and re-use, while also fostering effective regional and inter-agency co-operation. Building on lessons learned and continuous engagement with national authorities, the OSCE continues to assist participating States in supporting alignment with relevant international standards and enhancing cross-border collaboration in asset recovery.

The current extra-budgetary project **“Strengthening Asset Recovery Efforts in the OSCE area”**, adopts a comprehensive approach and engages with law enforcement and criminal justice actors. It is structured around three components of the recovery process: financial investigations, asset seizure and asset confiscation; asset management; and asset social re-use.

The project contributes to the work of law enforcement and criminal justice practitioners through capacity-building programmes tailored to national needs. It also facilitates the exchange of challenges and good practices in asset recovery. Recognizing the transnational nature of organized crime, particular attention is being given to regional co-operation and informal co-operation mechanisms to speed up information exchange.

To improve and reinforce regional co-operation, the project is also supporting two informal co-operation mechanisms: the Permanent Conference of Organized Crime Prosecutors, and the Balkan Asset Management Interagency Network (BAMIN, further explained in Section 9). Guided by the provisions of the United Nations Convention against Transnational Organized Crime, the Permanent Conference of Organized Crime Prosecutors has facilitated direct informal contact between judicial offices. As a regional co-operation mechanism, it serves as a platform for exchanging information about cross-border asset recovery cases. It also promotes mutual assistance, enables the sharing of good practices in financial investigations, and enhances multijurisdictional co-ordination.

Recognizing the key role played by civil society in the prevention of and the fight against organized crime and corruption, the third component of the initiative is raising awareness and building the capacities of civil society organizations and policymakers regarding the social re-use of confiscated assets. In Albania, the project has supported

¹² The four FATF grades of operational effectiveness are: High, Substantial, Moderate, and Low.

¹³ Financial Action Task Force (FATF), *Consolidated Assessment Ratings*, available at the FATF website, compiling mutual evaluation results from FATF and FATF-Style Regional Bodies, including MONEYVAL.

the conversion of a confiscated building, formerly owned by organized crime members, into a social enterprise for making artisanal products. The enterprise currently employs or is training more than twenty women who are survivors of domestic violence and the initiative aims to encourage the replication of similar practices.

OSCE field operations also support host States with initiatives aimed at strengthening asset recovery regimes, including legislation, structures, processes and capabilities. For instance, in 2021 the OSCE Mission to Serbia developed the Manual on Asset Forfeiture together with the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) of the US Department of Justice. The authors of the manual are prominent practitioners from Serbia's Supreme Court of Cassation, its Prosecutor's Office for Organized Crime, and the Financial Investigation Unit of its Ministry of Interior. The manual aids prosecutors and investigators in making informed decisions related to asset forfeiture procedures, and assists judges to conduct this process lawfully and efficiently. The aim of the manual is to standardize the conduct of law enforcement bodies, as well as to assist professionals in the criminal justice sector to take a proactive approach to commencing financial investigations that may lead to the seizure of proceeds of criminal activity. Also in partnership with the OPDAT, the OSCE Mission to Serbia provided eight training sessions for over two hundred practitioners on the appropriate use of the manual.

The OSCE Mission to Montenegro has also provided continuous support to prosecutors and law enforcement in strengthening financial investigations linked to organized crime and corruption. Through a series of specialized trainings and expert-level workshops (2023–2024), the Mission supported the use of financial profiling and asset tracing techniques and improved co-operation between prosecutors, police, and financial intelligence units.

Achieving sustained improvements in operational effectiveness requires a structured step-by-step review process. Acknowledging the distinct context of each country, the pathway presented below illustrates one possible example of such a review process. The OSCE can assist participating States in some or all of the listed steps.

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- Expert review of recent casework
 - Agreement on baseline statistics
 - Collation of information
 - Creation of a process map of laws and procedures
 - Review of legislation effectiveness
 - Review of parallel investigative capacity
 - Action plan to improve weaknesses
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Effective asset recovery actions are also closely linked to robust anti-money-laundering frameworks, especially in relation to financial investigations and the tracing of illicit proceeds. Combating money laundering, including the criminal misuse of virtual assets and cryptocurrencies, is one of the OSCE's key priorities. As one of the first international organizations to address this complex and evolving area, the OSCE has developed early engagement and expertise in this field. The extra-budgetary project ***"Innovative Policy Solutions to Mitigate Money Laundering Risks of Virtual Assets"*** supports 11 participating States across several regions in preventing and combating the illicit use of virtual assets for money laundering and terrorism financing. The initiative strengthens national capacities to align legal and supervisory frameworks with FATF Recommendations 15 and 16, and to enhance co-operation among regulatory, law-enforcement, and judicial institutions. The Project addresses existing but under-regulated risks of criminal misuse of virtual assets, with the overarching goal of building national capacities to counter these vulnerabilities through the following key activities:

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- Awareness-raising
 - Information booklets and e-learning
 - Capacity-building
 - Specialized trainings, including those on investigating, recovering and managing virtual assets
 - Study visits
 - Interagency and international co-operation
 - Donation of blockchain tracing software
 - OSCE Crypto Assets Investigation Guide
 - Gender analyses on virtual assets and digital finance
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To effectively counter financial and transnational organized crime, it is essential that knowledge about emerging criminal threats, trends and ways to address them is continuously shared between countries. The OSCE plays a key role in facilitating such exchanges and in assisting participating States to enhance or implement mechanisms for asset recovery. These activities contribute to strengthening efforts to combat organized crime and corruption and help ensure the security and safety of citizens across the OSCE region.