

International Centre for Asset Recovery Operational Strategy 2025-2028

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1 Introduction

This abridged version of the ICAR Operational Strategy sets out in simple terms how we seek to sustain and multiply our impact on asset recovery in 2025-2028. Asset recovery is a vital element in the global fight against corruption and other financially motivated crimes affecting sustainable development, security and civic trust.

It aligns with the Basel Institute's approach and methodology for addressing corruption holistically by *building coalitions* and facilitating collaboration between different parties; *changing behaviours* and perceptions using both enforcement and prevention tools; *catalysing learning* and progress by connecting hands-on practical experience with high-level policy; and *empowering our partners* through mentoring, guidance and peer learning.

It builds on consultations with our long-standing core donor group, experiences from our hands-on assistance and capacity building programmes with over 40 partner agencies in 17 countries, and the findings of an extensive external review in 2023.

It also connects with and leverages other competencies and activities within the Basel Institute, notably those of our Green Corruption programme and our Prevention, Research and Innovation team.

1.1 A changing landscape

The concept and practice of asset recovery have evolved significantly over the nearly two decades that ICAR has operated as a specialised centre of the Basel Institute on Governance.

First, there is growing recognition that investing in asset recovery is not just for the sake of tackling "dirty money", but key to achieving a **fairer, more just and peaceful world where the rule of law prevails** and there are consequences for acts of corruption and other financial crimes.

The **urgent need to improve asset recovery performance** has been highlighted by the Financial Action Task Force (FATF, in its revised Recommendations 4 and 48) and European Union (in its 2024 Directive on asset recovery and confiscation), as well as in high-level political declarations of the G20 and UN General Assembly.

Second, policymakers are responding to rising national security concerns in relation to how **corruption facilitates organised crime** and the **strategic use of corruption and illicit finance** to influence policies and undermine institutions.

There are also clear synergies with efforts to **enforce financial sanctions** as a deterrent to aggressive states. Similar information, capabilities, laws and mechanisms of international cooperation are needed to efficiently identify, trace, investigate and freeze assets, whether these assets are subject to sanctions or linked to financial crime.

Third, **novel approaches to boost asset recovery** are increasingly being adopted and recognised in the context of international cooperation. ICAR has supported many innovations that are now starting to bear fruit, including:

- Legislative tools to allow the **confiscation of assets outside of the criminal process**, such as non-conviction based forfeiture and illicit enrichment laws.
- Initiatives to improve **collaboration**, such as multi-disciplinary asset recovery taskforces, public-private information-sharing partnerships and initiatives for bilateral case cooperation.
- The **application of financial investigation and asset recovery tools** to more forms of financially motivated crime, notably crimes involving the environment.
- Meanwhile, ICAR remains the forefront of efforts to understand the risks and leverage the possibilities of **technological developments** affecting asset recovery, such as artificial intelligence, blockchains and open-source intelligence.

1.2 More relevant than ever

Despite the positive advances – many of which ICAR and our core donor group have supported – globally the scale of assets recovered remains low. Corruption is still perceived as a low-risk and high-reward activity.

That is why our work to strengthen capacity to recover assets and to advance global policy dialogue and innovation remain more relevant than ever.

2 ICAR's approach in brief

The following summarises key aspects of ICAR's tried-and-tested approach to advancing asset recovery capacity, practice and policy.

2.1 How asset recovery contributes to tackling global challenges

In brief, we believe that strengthening capacity for asset recovery:



Figure 1. Three ways that asset recovery supports anti-corruption, good governance and development.

Beyond that, asset recovery and ICAR's work support efforts to achieve the Sustainable Development Goals (SDGs) and tackle critical challenges relating to the environment and security.

Challenge	How strengthening asset recovery contributes
Sustainable development	<ul style="list-style-type: none"> Recovered "hard" assets (financial resources) can be invested in sustainable development projects. Builds "soft" assets, notably a well-functioning criminal justice system – the basis for transparency, accountability, rule of law and public trust (SDG 16). Deters corruption, fraud and embezzlement affecting international aid flows and helps to safeguard funds intended for anti-poverty, health or education initiatives (SDGs 1, 3, 4). Deters corruption in business, creating level playing field and conducive environment for investment (SDG 8).
Environment	<ul style="list-style-type: none"> Reduces financial incentives to engage in environmental crime and related corruption, including high-value trafficking in wildlife and natural resources. Supports efforts to identify high-level facilitators and disrupt transnational organised crime networks engaged in environmental crimes. Helps strengthen laws and institutions that safeguard policies, measures and resources on climate change, biodiversity and natural resource management.

Challenge	How strengthening asset recovery contributes
Stability and security	<ul style="list-style-type: none"> Reduces the power and destabilising influence of organised crime groups, domestically and transnationally. Targets the high-level political elites at the centre of power struggles that destabilise countries and regions, and that exert undue influence on decisions of national or geopolitical importance. Supports transparency, civic/media freedoms and strengthened justice systems, all critical for a country's stability. Strengthens systems designed to prevent, detect and intercept illicit financial flows that could be laundered in financial centres or used strategically to undermine, influence and infiltrate institutions in sovereign nations.

2.2 Theory of change

ICAR's theory of change illustrates how we transform our expertise, partnerships and long-standing reputation as a centre of excellence for asset recovery into these tangible impacts.

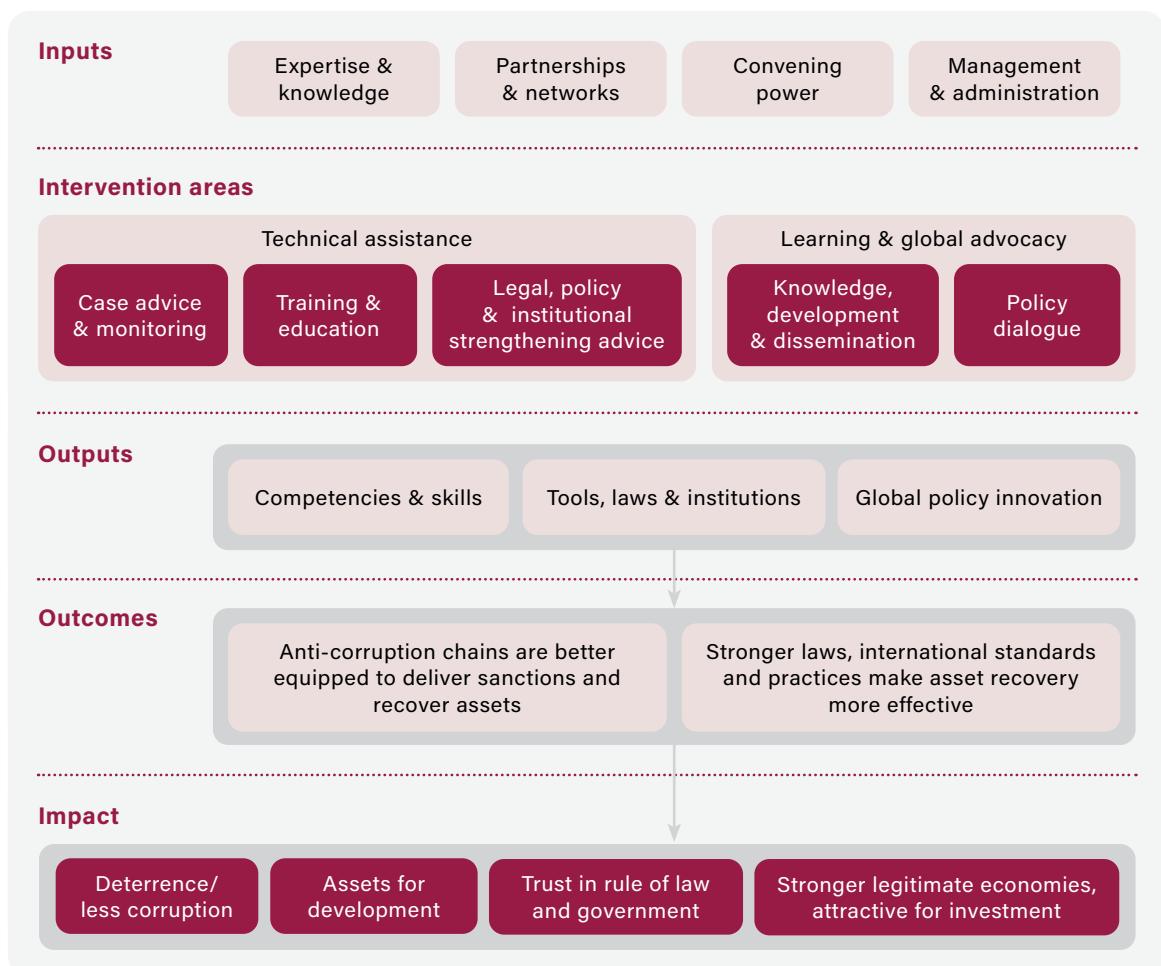


Figure 2. ICAR's theory of change, slightly adapted in 2024 based on lessons learned and an external review.

2.3 Intervention areas

Our two main intervention areas – technical assistance to government partners and learning/global advocacy efforts – will retain the same percentage of resourcing. They comprise, in brief:

Technical assistance (80%)	Learning and global advocacy (20%)
<ul style="list-style-type: none"> Case advice and mentoring, often through embedded advisors working with investigators and prosecutors to conduct investigations, develop legal strategies and cooperate internationally. Training and education through customised and interactive training programmes, plus eLearning courses focused on skills development. Legal, policy and institutional strengthening advice focused on fixing gaps and weaknesses in a partner's legal and institutional setup. 	<ul style="list-style-type: none"> Contribution of our hands-on experience to global policy dialogues through engagement in relevant forums and conferences. Knowledge products including working papers and practical case studies. Basel AML Index money laundering risk assessment tool, highlighting key risk areas for jurisdictions and globally and providing targeted data and analysis. Partnerships, networks and communities of practice aimed at catalysing peer learning and progress.

2.4 Chain-linked approach

Central to our methodology is the “chain-linked” approach. This refers to the multiple “chains” of processes and connections needed to successfully investigate corruption cases and recover assets. The chains vary in different jurisdictions and may involve different agencies depending on the case and context.

ICAR's technical assistance focuses on strengthening weak links in the chain and getting all links working smoothly together.

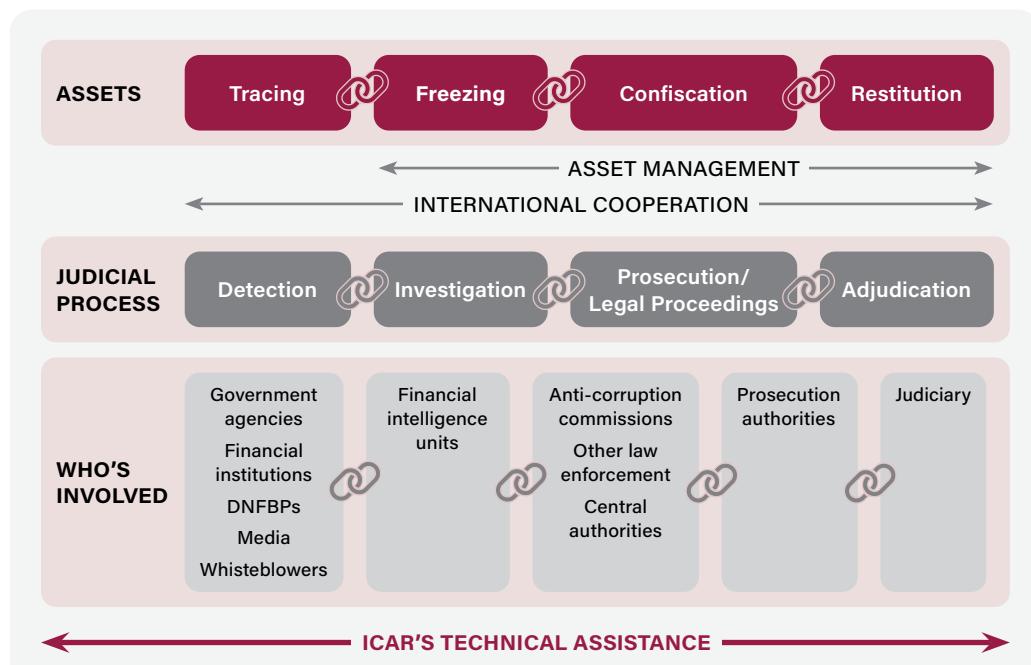


Figure 3. Simplified visualisation of the various chains involved in the asset recovery process.

3 Priority 1: Break new ground in transnational asset recovery cases

We will redouble our efforts to advance complex, transnational corruption and asset recovery cases. These present the greatest challenges, but also have the strongest potential to pioneer new pathways in asset recovery by:

- bolstering criminal justice systems;
- inspiring improvements in anti-corruption and asset recovery legislation;
- instilling a culture of recovering the proceeds of crime from criminal actors;
- enhancing capabilities in digital forensics, asset tracing, investigations and international cooperation; and
- streamlining international cooperation mechanisms and practices.

Advancing such cases will require **closer engagement with financial centres** in areas including proactively identifying and freezing suspicious assets; obtaining evidence; confiscating assets; and negotiating asset return agreements. These actions will **benefit victim states** by, among other things, generating more intelligence and leads, triggering faster responses to mutual legal assistance requests, and facilitating productive negotiations on asset return modalities.

We see high potential in assisting financial centres in launching parallel domestic proceedings aligned with proceedings in victim countries, especially where asset recovery legislation and practice in those countries is not sufficiently advanced. This can improve the chances of detecting, freezing and recovering assets and of disrupting corrupt actors.

Financial centres can also act as **champions of asset recovery and international cooperation**, learning from each other and leading by example.

We will continue to help partner agencies in low-capacity countries build their capabilities to tackle **smaller domestic cases**. Our experience shows that these smaller cases help to build skills and confidence, to set precedents and build jurisprudence, and to shift mindsets towards making financial investigations and asset recovery proceedings the norm.

4 Priority 2: Maximise asset recovery tools and innovation

The corrupt and their professional advisors continuously adapt their strategies to evolutions in technologies, in financial systems and in anti-money laundering controls.

Keeping pace with these evolutions, **ICAR will help partner countries to expand their asset recovery toolkit and their capacity to apply appropriate tools** to investigate, confiscate and recover illicit assets.

Expected areas of support are:

Legal instruments

- **Maximisation of existing asset recovery tools** and powers through technical assistance and legal reforms.
- **Introduction of new legislation** where there are gaps, e.g. non-conviction based forfeiture/illegal enrichment laws to complement criminal confiscation.
- **Use of plea bargaining, negotiated settlements** and potentially civil remedies in appropriate cases.

Systems and processes

- **Multi-disciplinary task forces** for efficiency and cross-agency collaboration.
- **Public-private partnerships** for information sharing.
- **Case management systems** to streamline prioritisation, tracking and management.
- **Forums for operational case discussions**.
- **Negotiated agreements** for asset returns.

Technology

- **Assessing the risks and opportunities** of evolving technologies e.g. AI, virtual assets.
- **Advising on open-source tools** to enhance financial investigations and asset recovery.
- **Guiding partners on IT security** and a holistic approach to introducing new technologies to ensure value for money.

5 Priority 3: Strengthen the asset recovery chain

The asset recovery “chain” is only as strong as its weakest link. We will expand our efforts to assist partner countries in strengthening their weaker links, particularly in the following areas:

5.1 Resilience to illicit financial flows

By building more effective systems to prevent, detect and take rapid action to freeze illicit financial flows, partner countries will be better equipped to recover assets linked to corruption and financial crimes. They will also bolster defences against other sources of illicit financial flows that use similar mechanisms, such as environmental crime, terrorist financing, sanctions evasion and cybercrimes.

Using our embedded advisory model and analysis based on our Basel AML Index tool, we will:

- **provide targeted assistance in meeting FATF recommendations**, in particular on international cooperation, financial intelligence, money laundering investigation and prosecution, and confiscation;
- **support policy dialogue and peer learning** through engagement with AML/CFT bodies at national, regional and global levels;
- **catalyse progress on the issue of key “gatekeepers”** to the financial system such as lawyers and accountants, leveraging the Basel Institute’s wider capabilities and relationships.

5.2 Asset management

How to effectively and efficiently manage assets that are frozen or seized pending asset recovery proceedings is an issue which all countries need to address as their asset recovery capabilities develop.

Our support in this area will focus on **strengthening legal and policy frameworks** in line with international norms and recommendations, including of the UNCAC, FATF and G8 Best Practices for the Administration of Seized Assets.

Concretely this will enable countries to adopt the necessary legislative measures; develop strategies prior to seizing assets; build capacity to manage assets in a cost-efficient and transparent way; use appropriate IT systems to register, track and assess assets; and adopt policies for allocating confiscated assets towards, for example, social projects.

5.3 Accountability

Asset recovery performance and the functioning of the “chain” is strongly influenced by accountability actors including civil society and the media.

Where appropriate, we will cautiously harness and bolster the capacity of journalists to **detect and preliminarily investigate suspected corruption** and other financial crimes, as well as provide **usable and actionable intelligence** for law enforcement purposes.

We will also support civil society organisations in their efforts to advocate for **resources, transparency and accountability** in government anti-corruption and asset recovery actions.

Our efforts will focus on fostering **collaboration and education** on the asset recovery process, to ensure that advocacy and media reports are accurate, evidence based and do not drive unreasonable public expectations.

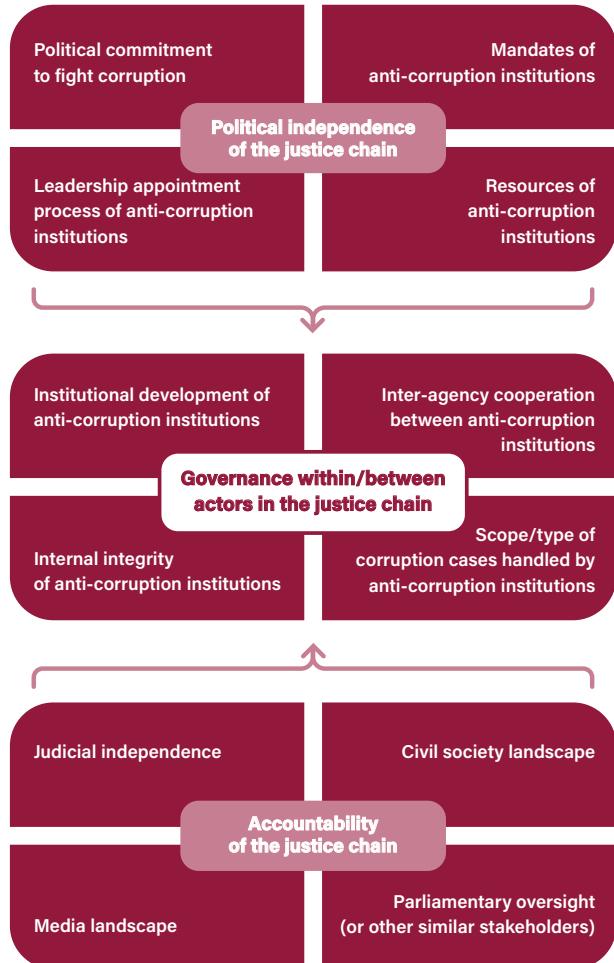


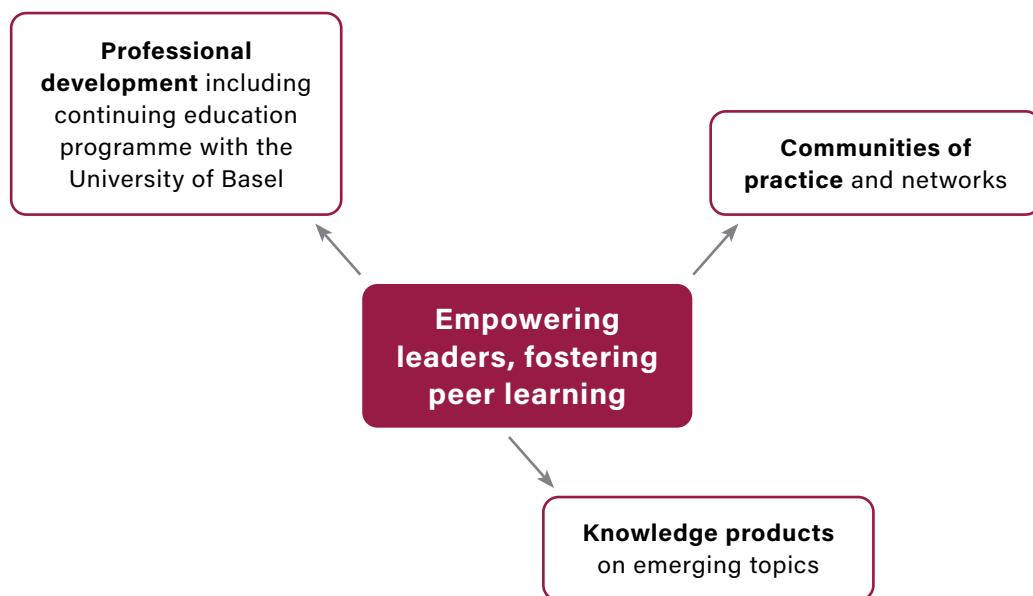
Figure 4. Our PRI colleagues’ research showed how the performance of the asset recovery “chain” is shaped top-down by political independence factors and bottom-up by accountability factors.

6 Priority 4: Foster communities and leaders

People are at the centre of the Basel Institute's approach, because it is people that drive long-term behavioural and institutional change. We will invest in **developing leaders and champions of asset recovery at the national, regional and global levels**.

This includes all actors along the asset recovery chain, such as investigators, prosecutors, judges, financial analysts/forensic accountants, legislators and policymakers.

Our efforts to *empower people* cover three main areas:



First, we will expand **professional development** opportunities through a Basel Institute continuing education programme with accreditation from the University of Basel. This builds on our current efforts to incorporate leadership and community-building elements into our training programmes, train-the-trainer initiatives and eLearning courses.

Second, we will continue to facilitate and participate in **communities of practice** and networks that bring together experts in thematic and/or geographic areas. These are powerful methods of peer learning and relationship building and conducive to the emergence of leaders and champions.

Third, we will ramp up production of targeted, accessible and practical **knowledge products**, especially on emerging and under-researched topics. These help to empower practitioners with the data and arguments to drive sustainable reforms and success in cases.

7 Implementation approach

To achieve our strategic priorities, we will further develop our organisational capability with a focus on the following areas:

7.1 Strategic partnerships

We will work through strategic partnerships to multiply our impact. This covers:

- **operational partners** and joint initiatives to boost asset recovery case progress, such as the International Anti-Corruption Coordination Centre and GFAR Action Series; and
- **policy partners** to enhance our leverage with respect to asset recovery policies, including the major international bodies working on financial crime.

7.2 Expand regional operations and hubs

This includes:

- **devolving management and administrative functions to regional hubs** to enhance value-for money and allow for more efficient, responsive and tailored decision making;
- **establishing regional hubs for our training programmes** for more sustainable and localised training delivery; and
- **leveraging and fostering regional talent** by developing communities of practice and employing regional experts to provide technical assistance.

7.3 Strengthen organisational capacity

We will strengthen our organisational capability and structure within the Basel Institute by:

- **strengthening the management structure and practice;**
- **enhancing quality assurance** across all technical areas;
- **boosting professional development** opportunities for staff;
- **strengthening our internal learning** mechanisms to better link regions and HQ and practice with policy;
- **build knowledge and capacity** in relation to new technologies, in order to better assess the risks and opportunities and to act as an independent and informed advisor for our partners;
- **leveraging the Basel Institute's expertise, activities and networks.**

7.4 Adapt to political economic realities

We will systematically assess political economic factors affecting ICAR's work in partner countries in order to better prioritise our resources and determine whether and how we can best have an impact given the current and prospective situation in a country.

- This effort will centre around the use of a new Assessment and Monitoring tool measuring political, governance and accountability factors influencing a country's asset recovery performance.
- The tool, developed by the Basel Institute's Prevention, Research and Innovation team following a two-year research project and pilot with ICAR staff, will help us to *focus* our assessment on relevant factors; *monitor* progress and regression against a baseline; and better *adapt* to shifts in the political environment.

7.5 Harness donor support and capabilities

Core funding is essential to our approach and long-term impact. It enables us to sustain key functions such as management, research, IT and eLearning development, as well as to attract and develop talent.

Core funding also enables us to expand "softly" into new countries by conducting feasibility assessments and scoping missions and by providing initial case-based and training support.

Our core donors also act as strategic partners, not least in our strategic priorities around advancing transnational asset recovery cases, maximising the use of asset recovery tools and innovation, and fostering asset recovery communities and leaders.

We will continue efforts to diversify our donor base as well as seeking fresh ways to generate supplementary income to bolster our financial stability and flexibility.

8 Governance, reporting and evaluation

Our implementation strategy takes into account evolving risks, ranging from health and security risks for staff to the misuse of ICAR and the Basel Institute for “whitewashing” regimes intent on administering selective justice.

The delivery of our strategy will continue to be underpinned by robust governance, programme management and reporting systems. These ensure that investments are properly managed and accounted for, allowing us to remain agile to respond to emerging needs and demands.

We will continue to prioritise our monitoring and evaluation approach to measure and communicate our impact.