

ASSET RECOVERY AND MANAGEMENT
AGENCY



**The National Agency of
Ukraine for Finding, Tracing
and Management of Assets
Derived from Corruption and
Other Crimes**

ASSET RECOVERY ACTIVITY

ARMA is authorized to find (the activity aimed at establishing the fact of existence) and trace (the activity aimed at determining the location) assets - property that can be seized in criminal proceedings.



Subjects who apply to ARMA:

- investigator;
- detective;
- prosecutor;
- pre-trial investigation body, prosecutor's office in the person of its management

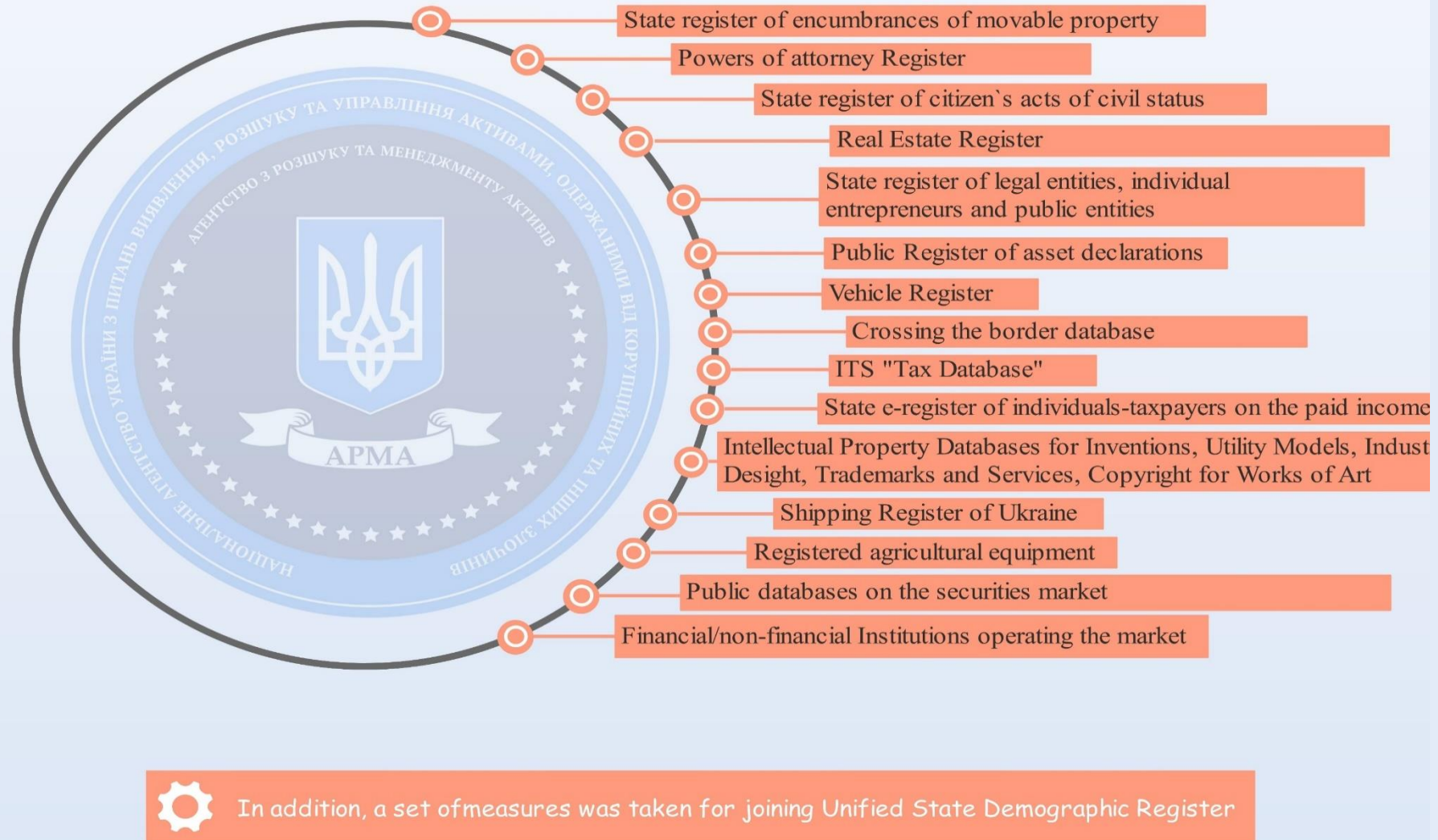
Terms of consideration of the request:

- **3 working days;**
- a longer period **specified in the request;**
- the period of consideration may be extended in concurrence with the requestor.

Tools for finding and tracing assets:

- **more than 40 registers** and databases held by state authorities;
- data from **open sources;**
- **international cooperation** on the basis of the agreement/principle of reciprocity.

JOINING THE STATE REGISTRIES AND DATA BASES



COOPERATION WITH BANKING INSTITUTIONS

Cooperation with the National Bank of Ukraine has been established by means of the client connection to the e-mail system of the National Bank of Ukraine.

Cooperation with 68 commercial banks has been established.

A mechanism for obtaining and processing information has been set, namely: on the availability and status of accounts; transactions on the accounts of a specific legal or natural person, an individual – business entity.

ARMA receives information on accounts and transactions on them promptly and without a court ruling, which greatly speeds up the asset finding process.



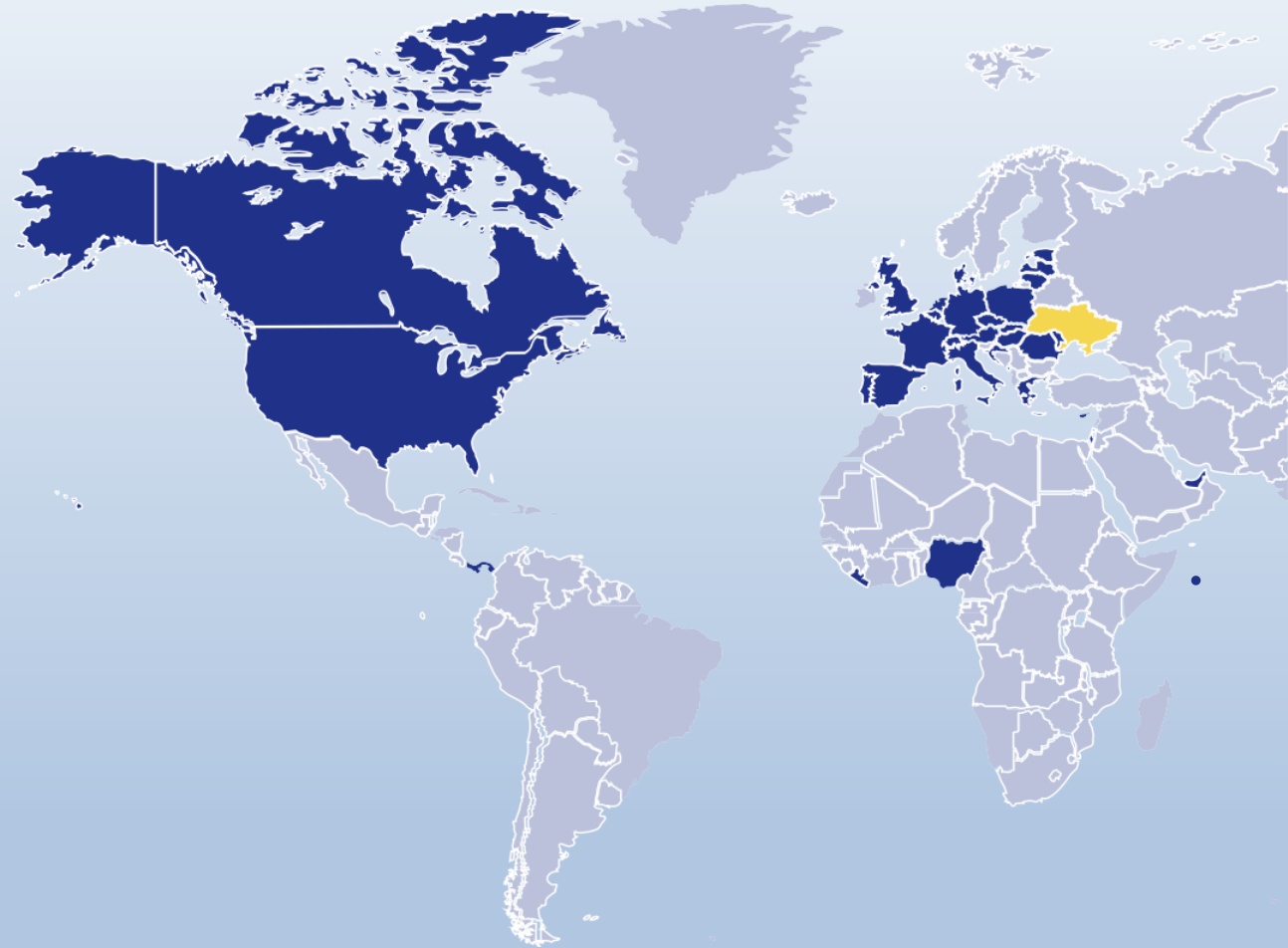
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ASSET FINDING AND TRACING ACTIVITY

Within the framework of cross-border information exchange, ARMA has sent **62 requests** on finding and tracing of assets within criminal proceedings at the request of law enforcement authorities, in particular to: to Germany, Finland, the United Kingdom, Turkey, Belgium, Bulgaria, Israel, Cyprus, Switzerland, Czech Republic, Slovakia, Romania, Poland, France, Poland, France, Poland, the UAE, Latvia, Canada, Netherlands, Spain, the USA, Estonia, Moldova, Republic of Korea.

ARMA has received **19 requests from foreign authorities** for finding and tracing of assets, in particular competent authorities of Estonia, Latvia, France, Moldova, Belgium, Israel, the USA, and Poland.





ORBIS – is the largest information and analytical database in the world containing information on the individuals and legal entities around the world, as well as connections between them.

ORBIS contains information on more than 279 mln. companies around the world :

- Europe – around 102 mln. companies;
- Northern, South and Central America – around 94 mln. companies;
- Asia Pacific region- around 77 mln. companies.

ORBIS – provides for the option to enter as a criterion for **simultaneous** tracing – a list of persons.

ASSET RECOVERY ACTIVITY



In 2019 ARMA considered:

1685
requests

558 National Police of Ukraine

369 State Fiscal/Tax Service of Ukraine

362 The prosecutor's offices

188 State Bureau of Investigations

127 Security Service of Ukraine

62 National Anti-Corruption Bureau of Ukraine

19 International requests

In 2018, the figure was - 1064 requests, in 2017 - 69 requests.

ASSET RECOVERY ACTIVITY

In 2017-2019, the following assets were found and traced in Ukraine and abroad:

Assets	2017	2018	2019
Securities (mln. UAH.)	41	557	3 536
Land plots (ea.)	405	4 456	61 394
Real estate objects (ea.)	2 532	7 134	8 376
Vehicles (pcs.)	46	3 766	4 195
Agricultural machinery with components (ea.)	3	1 069	2 284
Other property (goods) (ea.)	-	2 523	190 489
Cash (UAH) mln.	2	359	876,78
Cash (EUR), mln.	-	2	7,7
Cash (USD) mln.	-	98	16,59
Shares in authorised capital of companies (mln.UAH.)	2 511	21 169	30 413

Long-term institutional development goals of the Finding and Tracing Department



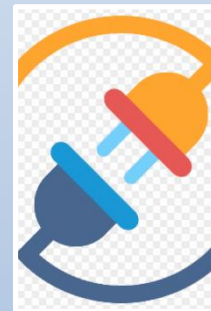
Introduction of amendments to the legislation on ARMA in the direction of expanding the powers of the Finding and Tracing Department



Application of artificial intelligence with the purpose of finding and tracing of assets



Development of the IT-laboratory



Connection to the new registers and data bases

Proposals on amendments to the legislation in the sphere of finding, tracing and management of assets, derived from corruption and other crimes:

- introduction of opportunities to attract specialized foreign detective companies for assets tracing, as well as institutions that finance litigation for assets recovery in favor of their states of origin;
- provision of ARMA with effective instruments of representation of Ukraine in cases of asset recovery in foreign courts.

National Asset Recovery Strategy

- Adhering to a proactive approach in state policy formation, ARMA initiated the development of the **National asset recovery strategy**.
- ARMA, with support of the EU, established the interagency working group whose activities will be aimed at the development, together with an international expert, of the National Asset Recovery Strategy and an Action Plan for its implementation.
- The National Asset Recovery Strategy and an Action Plan for its implementation **should become the basis for the long-term planning, development and improvement of the criminal asset recovery system and a roadmap for cooperation between authorities in this direction.**

The litigation-funding model in asset recovery process

1. The cornerstone of asset recovery in Ukraine was laid in November 10, 2015, when the Parliament approved the Law on ARMA, but it's not enough...
2. Recovery of illegally siphoned off assets most often occurs when the state cooperates with the private legal business.
3. Litigation funding is quite widely implemented in the world.
4. ARMA has commenced the elaboration of the Draft Law of Ukraine "On the amendments to the Law of Ukraine on "ARMA".
5. The Draft Law enables ARMA to:
 - initiate proceedings in foreign jurisdictions, in particular, to file civil claims;
 - conclude civil agreements with legal entities and individuals on representation and protection of rights and interests of Ukraine in foreign jurisdictions;
 - involve litigation funders in order to fulfil the tasks provided for by the law with subsequent payment for their services on the basis of the success fee.