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## **Support to Good Governance: Project against Corruption in Ukraine (UPAC)**

**in cooperation with Basel Institute of Governance**

### **Training session on detection and investigation of corruption related and money laundering offences**

*21-25 September 2009*

Lviv, Ukraine

Hotel Dnister (6, Mateiko St, Conference hall)

#### **PROGRAMME**

##### **Day 1**

- 9.00-9.30 Welcome and Introductions
- 9.30-10.30 An Overview – Money Laundering  
Money Laundering processes, schemes and concepts will be explained in the context of corruption investigations. These two violations, money laundering and corruption, are generally so interwoven that they must be investigated and prosecuted together
- 10:30-10:45 Break
- 10:45-11:00 An Interactive Asset Tracing Exercise  
This is the beginning of a 5 day practical exercise. The delegates will be asked to assemble into appropriate teams and to undertake an investigation into corruption which will involve both domestic as well as international aspects. The teams will commence the process of chasing leads, both human and financial, in an effort to trace and repatriate assets and assemble a criminal prosecution. They will also be tasked with making the appropriate decisions to freeze monies or assets as they uncover them. There will be some complex decisions to be made about evidential issues which may affect the direction of the case in the future. Throughout the exercise there will be facilitators on hand to guide the teams.
- 11.00-12.00 Electronic Evidence Organization  
The delegates will be appraised of the critical importance and various methods of organising evidence using electronic tools. This session will be supported by case examples and provide the delegates with an opportunity to practice initial skills prior to utilizing them in a much more effective manner during the case scenario

- 12.00-13.00 Lunch
- 13.00-13.45 An Interactive Asset Tracing Exercise (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.
- 13.45-14.30 Elements of the Law  
The specific criminal statutes relating to Money Laundering will be analyzed. Each of these laws will be subdivided into their basic elements. The collection of admissible evidence and the importance of proving each of these elements will be stressed
- 14:30-14:45 Break
- 14.45-17.00 Elements of the Law - Workshop  
The concepts discussed in the Element of the Law section above will be reviewed through simulated case fact patterns that must be analyzed by the participants. A determination will be made as to which criminal statute should be charged and the specific evidence that proves of element of that crime.

## **Day 2**

- 9.00-10.00 An Interactive Asset Tracing Exercise (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.
- 10:00-10:15 Break
- 10.15-12.00 Financial Investigative Approaches  
The session will take the delegates through innovative ways of organizing large volumes of financial data to use indirect methods of proving illegal income. In the experience of anti-corruption investigators and prosecutors this is a critical tool that provides for a system to analyzing the myriad of data gathered during complex investigations. The system allows for the financial evidence to be presented in a concise and orderly method at hearings or trials. This system facilitates the proper tracing, and ultimately recovery, of illicit assets and money transfers. The session will consider both domestic and international aspects.
- 12.00-13.00 Lunch
- 13.00-14:00 Indirect Method of Proving Income - workshop  
The participants will solve a source and application practice problem
- 14.00-15.00 An Interactive Asset Tracing Exercise (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.
- 15:00-15:30 Break
- 15.30-16.00 An Interactive Asset Tracing Exercise (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.

16.00-17.00 Excel: An Analytical tool  
The delegates will be provided with a detailed and interactive session that explains the basics of one of the most important electronic tools used to analyze voluminous and complex financial data (open source software is also available for this application). The session will walk the delegates through the basic process and show them numerous tools such as sorts, subtotals, filters and pivot tables, which will be used throughout out the case scenario

### **Day 3**

9.00-10.30 Mechanisms for Asset Forfeiture  
The four basic methods of asset confiscation will be compared: Conviction based forfeiture; civil action (available in civil law countries); non conviction based forfeiture; and civil law suits. The benefits and negative aspects of each of these methods will be analyzed. The country specific asset forfeiture provisions will be analyzed and discussed.

10:30-10:45 Break

10.45-12.00 An Introduction to Mutual Legal Assistance (MLA): Formal and Informal Processes  
This session will provide the delegates the basic principles of MLA in corruption and asset recovery cases. It will explore a variety of both informal and formal processes, the main differences between these processes, as well as the advantages and disadvantages applied to concrete case when seeking effective MLA.

12.00-13.00 Lunch

13.00-15.00 MLA requirements: Switzerland  
Country specific requirements will be discussed including issues such as dual criminality, speciality and UNCAC provisions. Case examples will be used to describe best practices to use MLA in the most efficient manner.

15:00-15:15 Break

15.15-17.00 Interactive Case Scenario (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators

### **Day 4**

9.00-10.00 Interactive Case Scenario (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators

10:00-10:15 Break

10.15-12.00 Interactive Case Scenario (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.

12.00-13.00 Lunch

- 13.00-14.30    Interactive Case Scenario (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.
- 14.30-14.45    Break
- 14.45-15.30    Corporate Ownership  
The participants will be lead through a discussion concerning corporate ownership, corporate promoters, bearer shares, registered owners, nominee directors, limited liability companies and variations of the basic corporate model. Trust will be explained in the context of the creator, beneficiary and the trustees. Protection available under common law and civil law jurisdictions will be analyzed. A discussion relating to the use of offshore vehicles will provide an overview of how corporations and trusts are abused to disguise the ownership of assets.
- 15.30-17.00    Trial Preparation  
The basic elements of trial preparation will be discussed in the context of the practical exercise: identifying the criminal charges, listing the elements of the crime, organizing the evidence that proves each element, sorting the financial evidence into relevant categories, preparing the source and application financial analysis, identifying all assets to be recovered and summarizing the evidence that links the stolen assets to the crime. The purpose of this session will be to assist the teams in preparing their evidentiary presentations.

## **Day 5**

- 9.00-10.00    Interactive Case Scenario (cont)  
The Delegates will continue to work on the asset tracing exercise as the case unfolds. The groups will be monitored and assisted by the facilitators.
- 10:00-10:15    Break
- 10.15-12.00    Preparation of Case Scenario Presentation  
During this session the delegates, in their respective teams, will be given advice and time to commence the initial preparations for their case presentations. Each participant will be required to give a presentation based on the evidence obtained in the practical exercise on one of the following topics: Case overview; Evidence supporting each element of the criminal charge; a Source and Application of funds analysis; types of MLA that will be used to recovery assets from foreign jurisdictions; and trace assets that were identified by documenting the specific evidence linking them to the crime and justifying the forfeiture.
- 12.00-13.00    Lunch
- 13.00-16.30    Participant Presentations  
\*Case overview  
\*Elements of the crime  
\*Source and Application of funds analysis  
\*Types of MLA to be used  
\*Identification of assets and evidence for confiscation  
The delegates will present their case scenario analysis to the ICAR Team taking into account what evidentiary problems they encountered and how they overcame them, what the legal issues were, financial analysis of the multitude of leads, asset tracing, how they overcame

specific problems and how they dealt with the necessary requests for the freezing, confiscation and recovery of the stolen assets.

Moderators: all

16:30- 17:00 Closing of Asset Recovery Program