

## **Instituto Nacional de Seguros (INS) and Instituto Costarricense de Electricidad (ICE) / Julian Messent**

**Case ID:**

ARW-83

**Jurisdiction of Origin of Public Official or Entity Allegedly Involved:**

Costa Rica

**Position of Public Official(s) (yrs in office):**

Officials at State-Owned Entities

**Jurisdiction of Asset Recovery:**

United Kingdom

**Jurisdiction of Asset Recovery ? Description:**

Undertaking Recovery Effort, Location of Recovery Effort, Asset Location / Alleged Asset Location

**Asset Recovery Start:**

2006

**Asset Recovery End:**

2012

**UNCAC Offenses Implicated:**

Art.16

**Money laundering Implicated:**

No

**Legal Basis for Asset Recovery:**

Criminal Prosecution, Criminal Restitution

**Intl.Cooperation: MLAT/Letter of Request?:**

Unknown

**Basis for Intl Cooperation:**

Unknown

**Contributing Factors in Asset Recovery:**

"Following elections in Costa Rica in 2002, officials in INS and ICE were replaced. Enquiries were made into the contract with PWS and questions were raised about payments made under it. The Foreign and Commonwealth Office referred the case to the SFO in October 2005 and the case was accepted for investigation in August 2006." (Source: UK Serious Fraud Office Press Release, "Insurance Broker jailed for bribing Costa Rican officials," October 26, 2010.)

**Status of Asset Recovery :**

Completed

**Stage in Asset Recovery Chain:**

Assets Returned to Victim or Requesting Jurisdiction

**Agreement for Returned Assets:**

Unknown

**Agreement for Returned Assets - Description:**

Please see summary field for explanation

**Case Summary:**

In upholding Mr. Messent's sentence, the Court of Appeals stated that, "The government of Costa Rica, and therefore the citizens of Costa Rica, were in effect made to pay for the corruption of their own officials by foreigners and therefore they suffered a loss of not far short of the original \$2 million as a result of the appellant's [Mr. Messent's] corrupt behaviour." (Source: Messent, R. v [2011] EWCA Crim 644 (01 March 2011)) The Court also stated that, "in the context of the observations in the 2004 United Convention against Corruption, we remind ourselves that corruption 'undermines a government's ability to provide basic services'." (Source: Ibid.)

According to the October 26, 2010 press release by the UK Serious Fraud Office, UK insurance broker Julian Messent was sentenced to imprisonment "after admitting making or authorising corrupt payments of almost US \$2 million to Costa Rican officials in the state insurance company, Instituto Nacional de Seguros (INS) and the national electricity and telecommunications provider Instituto Costarricense de Electricidad (ICE). He was ordered to pay £100,000 compensation within 28 days to the Republic of Costa Rica or serve an additional 12 months imprisonment if he fails to do so. Following a joint investigation by the Serious Fraud Office and the City of London Police which opened in 2006, Julian Messent (d.o.b. 20/02/60), who was a director of London-based insurance business PWS International Ltd ("PWS"), pleaded guilty at Southwark Crown Court to two counts of making corrupt payments between February 1999 and June 2002, contrary to s1 (1) of the Prevention of Corruption Act 1906. The sentence passed was 21 months imprisonment on each count to run concurrently. He also asked for 39 similar offences to be taken into consideration." (Source: UK Serious Fraud Office Press Release, "Insurance Broker jailed for bribing Costa Rican officials," October 26, 2010.) The Press Release noted that there were ongoing prosecution in Costa Rica of the alleged bribe recipients and that the SFO was cooperating with the Costa Rican authorities in the matter. Written evidence presented by the UK's Department for International Development (DFID) to the Parliament's International Development Committee stated that US\$100,000 has been returned to Costa Rica in the case involving Mr. Messent. (Source: UK Parliament, International Development Committee, "Supplementary written evidence submitted by The Department for International Development (DFID)," June 2012.)

According to the Serious Fraud Office's submission to the UK Parliament, "There were a number of practical problems involved in the transmission of the payment to the authorities in Costa Rica. There has been discussion as well as to which organisation in Costa Rica should benefit from the funds." (Source: UK Parliament, House of Commons, International Development Committee, "Financial Crime and Development, Eleventh Report of Session 2010-12," 15 November 2011.)

**Disposition of Criminal Case(s):**

According to the October 26, 2010 press release by the UK Serious Fraud Office, UK insurance broker "Julian Messent was sentenced today to 21 months' imprisonment after admitting making or authorising corrupt payments of almost US \$2 million to Costa Rican officials." (Source: UK Serious Fraud Office Press Release, "Insurance Broker jailed for bribing Costa Rican officials," October 26, 2010.). His sentence was upheld in 2011 by the England and Wales Court of Appeal (Criminal Division). (Source: Messent, R. v [2011] EWCA Crim 644 (01 March 2011))

**Jurisdiction of Origin: Investigative Agency:**

Unspecified

**Jurisdiction of Origin: Prosecuting Authority/Civil Attorney(s):**

Unspecified

**Jurisdiction of Origin: Courts Involved:**

Unspecified

**Jurisdiction of Asset Recovery: Investigative Agency:**

Serious Fraud Office, City of London Police

**Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):**

Crown Prosecution Service



**Jurisdiction of Asset Recovery: Courts Involved:**

Southwark Crown Court

**Documents:**

Messent\_Plea\_UK\_SFO\_Press\_Release\_Oct\_26\_2010.pdf

**Documents:**

| <b>Attachment</b>  | <b>Size</b> |
|--|-------------|
|  Messent_UK_Appeals_Court_Judgment_Mar_1_2011.doc | 45.5 KB     |
|  Messent_UK_SFO_Sentencing_PR_Oct_26_2010.pdf     | 119.05 KB   |

**Documents Links:**

**Other Sources:**

Messent, R. v [2011] EWCA Crim 644 (01 March 2011), at <http://www.bailii.org/ew/cases/EWCA/Crim/2011/644.html>;

UK Serious Fraud Office Press Release, "Insurance Broker jailed for bribing Costa Rican officials," October 26, 2010, accessed at <http://www.sfo.gov.uk/press-room/latest-press-releases/press-releases-20...>

UK Parliament, International Development Committee, "Supplementary written evidence submitted by The Department for International Development (DFID)," June 2012, accessed at <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/130/...>

UK Parliament, House of Commons, International Development Committee, "Financial Crime and Development Eleventh Report of Session 2010-12," 15 November 2011, accessed at <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmintdev/847/....>