

Arnoldo Aleman

Case ID:

ARW-19

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Nicaragua

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

President (1997-2002)

Jurisdiction of Asset Recovery:

United States

Jurisdiction of Asset Recovery ? Description:

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

Asset Recovery Start:

2002

Asset Recovery End:

2008

UNCAC Offenses Implicated:

Art.17

Art.23

Money laundering Implicated:

Yes

Legal Basis for Asset Recovery:

Non-Conviction Based Confiscation

Basis for Intl Cooperation:

Unknown

Contributing Factors in Asset Recovery:

U.S.: The establishment by the Immigration and Customs Enforcement of the first Politically Exposed Persons (PEPS) Task Force located in Miami, Florida. The PEPS Task Force was established in conjunction with ICE's international division, the U.S. Attorney's Office and the U.S. Department of State. The Task Force's goal is to identify, locate, and seize assets of corrupt politically exposed persons involved in the theft of embezzled government funds. An example that highlights the success of this Task Force is the conviction in Nicaragua of the former Nicaraguan President Arnoldo Aleman. ICE investigators worked with their Nicaraguan counterparts to discover and seize assets located in the United States belonging to Mr. Aleman valued in excess of \$5 million dollars. Cooperation by U.S. and Nicaragua. (Source: Statement of Marcy M. Forman, Deputy Assistant Director, Financial Investigations, Immigration and Customs Enforcement, Department of Homeland Security, before House Government Reform Committee Subcommittee on Criminal Justice, Drug Policy and Human Resources, "Terrorist Financing and Money Laundering Investigations: Who Investigates and How Effective Are They?," May 11, 2004.

Status of Asset Recovery :

Completed

Agreement for Returned Assets:

Unknown

Agreement for Returned Assets - Description:

Unknown

Case Summary:

According to the U.S. Government website, America.gov, "In 2004, U.S. authorities forfeited and transferred approximately \$2.7 million of the former president's assets to the government of Nicaragua." A 2005 U.S. Department of State report added that the funds were to be used for educational programs, with \$100,000 going to support anti-corruption efforts of Nicaraguan Prosecutor General's Office. (Source: U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, International Narcotics Control Strategy Report, March 2005, accessed at <http://www.state.gov/p/inl/rls/nrcrpt/2005/vol2/html/42382.htm>). Mr. Aleman had used fraudulent shell companies and investment accounts to conceal his illicit proceeds. Assets identified and seized by the Immigration and Customs Enforcement, Miami Foreign Corrupt Investigations Group included seven certificates of deposit valued at \$700,000, proceeds of the sale of a helicopter worth \$671,000, a cabana at the Key Biscayne Ocean Club valued at \$300,000, an investment account in Coral Gables, Fla., valued at \$204,099, and a \$150,000 deposit for the purchase of a Key Biscayne, Fla., condominium. (Please note that according to the May 11, 2004 testimony of Ms. Marcy M. Forman, Deputy Assistant Director, Financial Investigations Division of the U.S. Immigration and Customs Enforcement: "ICE investigators worked with their Nicaraguan counterparts to discover and seize assets located in the United States belonging to Aleman valued in excess of \$5 million dollars." Testimony before the House Committee on Government Reform, Subcommittee on Criminal Justice, Drug Policy and Human Resources.)

Disposition of Criminal Case(s):

According to the University of Pittsburgh School of Law, Jurist Legal Research and News, in January 2009, the Nicaraguan Supreme Court overturned Mr. Aleman's 2003 conviction on money laundering and embezzlement charges. (Source: Andrew Gilmore, "Nicaragua high court overturns corruption conviction of ex-president," Jurist Legal Research and News, January 19, 2009, accessed at <http://jurist.org/paperchase/2009/01/nicaragua-high-court-overturns.php>.)

Jurisdiction of Origin: Investigative Agency:

Unknown

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

Prosecutor General's Office, Nicaragua

Jurisdiction of Origin: Courts Involved:

Supreme Court

Jurisdiction of Asset Recovery: Investigative Agency:

U.S. Immigration and Customs Enforcement, Politically Exposed Persons Task Force

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

U.S. Attorney's Office for the Southern District of Florida

Jurisdiction of Asset Recovery: Courts Involved:

U.S. District Court for the Southern District of Florida

Documents:

Aleman_Nicaragua_SCt_Overturn_Conviction_Jurist_Jan_19_2009.pdf

Aleman_SDFLA_Amended_Complaint_Mar_17_2003.pdf

Aleman_SDFLA_Final_Judgment_Oct_9_2008.pdf

Aleman_US_Govt_Case_Description_March_2011.pdf

Aleman_US_State_Dept_March_2005.pdf

Aleman_USCA_Mandate_Oct_7_2008.pdf

Documents Links:

http://www1.worldbank.org/finance/star_site/documents/arw/Aleman_Nicarag...
http://www1.worldbank.org/finance/star_site/documents/arw/Aleman_SDFLA_A...
http://www1.worldbank.org/finance/star_site/documents/arw/Aleman_SDFLA_F...
http://www1.worldbank.org/finance/star_site/documents/arw/Aleman_US_Govt...
http://www1.worldbank.org/finance/star_site/documents/arw/Aleman_US_Stat...
http://www1.worldbank.org/finance/star_site/documents/arw/Aleman_USCA_Ma...

Other Sources:

U.S. v. Proceeds of Certificates of Deposit Number 1271734730, et al, Case No. 03-20526-CIV-MORENO/GARBER (S.D.Fla.), Amended Complaint for Forfeiture filed March 17, 2003; U.S.C.A. Mandate filed on October 7, 2008; Final Judgment filed October 9, 2008;

Case description at <http://www.america.gov/anti-corruption.html>;

See also, official website of the Prosecutor General of Nicaragua at www.pgr.gob.ni - follow links to Museo Digital de la Corrupcion and "Hallazgos documentales de Actos Irregulares o Corruptos" for official documents and supporting documents on underlying cases. (Last accessed December 1, 2010).

U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, International Narcotics Control Strategy Report, March 2005, accessed at <http://www.state.gov/p/inl/rls/nrcrpt/2005/vol2/html/42382.htm>;

Andrew Gilmore, "Nicaragua high court overturns corruption conviction of ex-president," Jurist Legal Research and News, January 19, 2009, accessed at <http://jurist.org/paperchase/2009/01/nicaragua-high-court-overturns.php>.