

Kuwaiti Investment Organization

Case ID:

ARW-107

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Kuwait

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

Kuwaiti Investment Organization Management (inclusive 1989-1992)

Jurisdiction of Asset Recovery:

Spain

Jurisdiction of Asset Recovery ? Description:

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

Asset Recovery Start:

1993

Asset Recovery End:

Unknown

UNCAC Offenses Implicated:

Art.17

Art.23

Money laundering Implicated:

Yes

Legal Basis for Asset Recovery:

Criminal Prosecution and Forfeiture; Private Civil Action

Intl.Cooperation: MLAT/Letter of Request?:

Unknown

Basis for Intl Cooperation:

Unspecified

Contributing Factors in Asset Recovery:

"The following items were critical to the success of asset recovery in the Kuwaiti case. -The establishment of a dedicated and competent National Team was critical to the success of the initiative. - Political will was secured to ensure the success of asset recovery. - The elimination of pressures helped to achieve breakthrough successes for stolen assets recovery efforts. - Processes were initiated against individuals, rather than institutions, resulting in less resistance and fewer legal battles. - Private law actions, for several reasons, were a well-established route for asset recovery." (Source: Dr. Mohammad A.A. Al Moqatei, "Stolen Asset Recovery: A Case from Kuwait," in Stolen Asset Recovery: A Good Practices Guide for Non-Conviction Based Asset Forfeiture (Stolen Asset Recovery Initiative, 2009).

Status of Asset Recovery :

Unknown

Stage in Asset Recovery Chain:

Unknown

Assets Returned (USD) - Description:

Please see United Kingdom entry for worldwide total assets returned amount

Agreement for Returned Assets:

Unknown

Agreement for Returned Assets - Description:

N/A

Case Summary:

According to a press report, in January 1993, the Kuwaiti Investment Organization (KIO) issued writs in the Spanish high court against Sheikh Fahad, Fouad Jaffar, Mr. de la Rosa and four other Spaniards who worked for the KIO. It accuses them of falsifying mercantile and public documents, fraud, manipulating prices and tax evasion, producing losses of well over 100 billion pesetas (\$870 million). The KIO also sought a freeze on their assets to cover the alleged financial responsibilities. (Source: Justin Webster, "Kio's Spanish inquisition: The growing scandal of Kuwait's massive losses in Spain is exposing the dirty linen of one of the world's most secretive investment agencies and ringing government alarm bells. As the feud spills into the courts, Justin Webster looks at what lies behind the Grupo Torras disaster," The Independent (UK), January 10, 1993. Grupo Torras SA & Ors v Sheikh Fahad & Ors [1999] EWHC 300 (Comm) (24 June 1999) mentions a case in Spain, at 108.)

Disposition of Criminal Case(s):

Unspecified

Jurisdiction of Origin: Investigative Agency:

National Team established by the Kuwaiti Investment Organization

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

National Team established by the Kuwaiti Investment Organization; Kuwaiti Public Prosecutor

Jurisdiction of Asset Recovery: Investigative Agency:

National Team established by the Kuwaiti Investment Organization

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

National Team established by the Kuwaiti Investment Organization

Documents:

KIO_Grupo_Torras_1999_EWHC_300_Comm.rtf

KIO_Spain_Grupo_Torras_Independent_Jan_10_1993.pdf

KIO_StAR_Case_Study_NCBF_Guide.pdf

Documents Links:

http://www1.worldbank.org/finance/star_site/documents/arw/KIO_Grupo_Torr...

http://www1.worldbank.org/finance/star_site/documents/arw/KIO_Spain_Grup...

http://www1.worldbank.org/finance/star_site/documents/arw/KIO_StAR_Case_...

Other Sources:

Grupo Torras SA & Ors v Sheikh Fahad & Ors [1999] EWHC 300 (Comm) (24 June 1999) mentions a case in Spain. See also, Dr. Mohammad A.A. Al Moqatei, "Stolen Asset Recovery: A Case from Kuwait," in Stolen Asset Recovery: A Good Practices Guide for Non-Conviction Based Asset Forfeiture (Stolen Asset Recovery Initiative, 2009), accessed at http://www1.worldbank.org/publicsector/star_site/publications/non_convic... Justin Webster, "Kio's Spanish inquisition: The growing scandal of Kuwait's massive losses in Spain is exposing the dirty linen of one of the world's most secretive investment agencies and ringing government alarm bells. As the feud spills into the courts, Justin Webster looks at what lies behind the Grupo Torras disaster," The Independent (UK), January 10, 1993.