

Vladimiro Montesinos / Victor Alberto Venero Garrido

Case ID:

ARW-196

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Peru

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

De facto chief of intelligence and main advisor of former Peruvian President Alberto Fujimori (Montesinos, 1990-2000) / Montesinos' Associate (Venero Garrido)

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:

2000

Asset Recovery End:

2004

UNCAC Offenses Implicated:

Art.15

Art.16

Art.17

Art.18

Art.23

Money laundering Implicated:

Yes

Legal Basis for Asset Recovery:

Non-Conviction Based Confiscation; Actions Initiated by Foreign Jurisdiction

Intl.Cooperation: MLAT/Letter of Request?:

Unknown

Basis for Intl Cooperation:

Cooperation in investigation but mechanism unknown

Contributing Factors in Asset Recovery:

"Venero and his activities were brought to the attention of the FBI [Federal Bureau of Investigation] by the filing of a Suspicious Activity Report by Citibank's compliance officer in Long Island City, New York... Initially, the account opening did not raise any suspicion because Latin Americans often opened dollar-denominated bank accounts in the U.S. to protect their assets from inflation in their home countries. However, Citibank and other financial institutions holding bank and brokerage accounts owned or controlled by Venero, Cheryle Mangino Diaz, and others gradually noticed unusual activity in the accounts and filed SARs with the U.S. Government." Diaz was a California banker who was married to Venero's cousin and a former member of the board of directors of Hacienda Bank who had since 1996 helped Venero conceal more than \$20 million in the U.S. (Source: Linda M. Samuel, "Repatriation Obligations under the United Nations Convention Against Corruption," Resource Material Series No. 65, accessed at the website of the United Nations Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders (UNAFEI)).

Status of Asset Recovery :

Completed

Stage in Asset Recovery Chain:

Assets Returned to Victim or Requesting Jurisdiction

Agreement for Returned Assets:

Yes

Agreement for Returned Assets - Description:

Agreement between U.S. and Peru that Peru would invest the returned assets in anti-corruption efforts. Establishment of Special Fund for Management of Illegally Obtained Money against Interests of the State; a board comprised of representatives of Peruvian government agencies involved in the fight against corruption (Source: Acuerdo Entre el Gobierno de la Republica del Peru y El Gobierno de Los Estados Unidos de America Sobre Transferencia de Activos Decomisados, January 21, 2004.)

Case Summary:

According to Linda M. Samuel, then-Deputy Chief, Asset Forfeiture and Money Laundering Section of the U.S. Department of Justice, the U.S. Attorney's Office for the Central District of California and the Asset Forfeiture and Money Laundering Section of the Department of Justice restrained approximately \$17.3 million connected to Mr. Venero-Garrido, ultimately forfeiting \$15.9 million plus interest accrued. During the investigation, U.S. law enforcement agents identified and forfeited approximately \$4.3 million, plus interest accrued, in additional assets. The combined net forfeited amount from these two judgments was \$20,277,618.32. She also notes that the investigation resulted in forfeiture of additional \$358,753.76. In addition, investigation by the FBI and the U.S. Attorney's Office for the Southern District of Florida contributed to Montesinos' arrest and the direct return of additional assets to Peru, including at least \$14.1 million repatriated directly by Mr. Venero-Garrido. Ms. Samuel wrote that, "The United States Department of Justice has approved transferring \$20,277,618.32 in forfeited funds to the Government of Peru (GOP) in recognition of its assistance in the Venero case. The forfeited funds represent the proceeds of a broad range of fraud, corruption and money laundering offences committed in Peru and the United States that were connected to former Peruvian intelligence Chief Vladimiro Montesinos, his associate Victor Alberto Venero-Garrido, and other associates of Montesinos and former Peruvian President Alberto Fujimori. The statutory basis for the transfer under U.S. law is Title 18, United States Code, section 981(i)(1) authorizes the Attorney General to transfer money laundering proceeds and instrumentalities forfeited under 18 U.S.C. [Sections] 981 and/or 982 to a foreign country that participated directly or indirectly in acts leading to the seizure and forfeiture of the property." (Source: Linda M. Samuel, "Repatriation Obligations under the United Nations Convention Against Corruption," Resource Material Series No. 65 for the United Nations Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders (UNAFEI). See also, US v. \$17,317,700.38 in US currency, Case No. 1:01-cv-03444 (S.D.Fla.) and US v. \$4,362,761.02 in US currency, Case No. 1:02-cv-21779 (S.D.Fla.).

Disposition of Criminal Case(s):

According to a case study by Professor Guillermo Jorge, as of September 2007, Mr. Montesinos had been convicted in 13 different trials and more than 70 trials were ongoing. (Source: Guillermo Jorge, "The Peruvian Efforts to Recover Proceeds from Montesinos's Criminal Network of Corruption," in ADB/OECD Anti-Corruption Initiative for Asia and the Pacific, Asset Recovery and Mutual Legal Assistance in Asia and the Pacific, Proceedings of the 6th Regional Seminar on Making International Anti-Corruption Standards Operational Held in Bali, Indonesia, on 5-7 September 2007 and hosted by the Corruption Eradication Commission, Indonesia, accessed at <http://www.adb.org/Documents/Books/Asset-Recovery/Asset-Recovery.pdf>

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Jurisdiction of Origin: Investigative Agency:

Office of the Special State Attorney for the Montesinos/Fujimori Case, Peru

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

Office of the Special State Attorney for the Montesinos/Fujimori Case, Peru

Jurisdiction of Asset Recovery: Investigative Agency:

Federal Bureau of Investigation (Miami)

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

United States Attorney's Office for the Southern District of Florida, with assistance from the United States Attorney's Office for the Central District of California and Department of Justice, Criminal Division, Asset Forfeiture and Money Laundering Section

Jurisdiction of Asset Recovery: Courts Involved:

U.S. District Court for the Southern District of Florida; U.S. District Court for the Central District of California

Documents:

Montesinos_Huerta_US_DOJ_Press_Release_Sep_2_2009.pdf

Montesinos_US_SDFLA_Huerta_Complaint_Dec_2004.pdf

Documents Links:

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

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

Other Sources:

Linda M. Samuel, "Repatriation Obligations under the United Nations Convention Against Corruption," Resource Material Series No. 65, accessed at the website of the United Nations Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders (UNAFEI): http://www.unafei.or.jp/english/pdf/PDF_rms/no65/RESOURCE-DivisionNo06.pdf; US v. \$17,317,700.38 in US currency, Case No. 1:01-cv-03444 (S.D.Fla.), Complaint for Forfeiture in Rem filed August 9, 2001; Stipulation and Settlement Agreement filed April 25, 2003 and Final Order of Forfeiture filed April 29, 2002; US v. \$4,362,761.02 in US currency, Case No. 1:02-cv-21779 (S.D.Fla.), Complaint for Forfeiture in Rem filed June 14, 2002 and Final Order of Forfeiture filed February 25, 2003. Professor Guillermo Jorge, "The Peruvian efforts to recover proceeds from Montesinos' criminal network of corruption," Background paper presented at the Asian Development Bank's Regional Seminar for Asia-Pacific, "Making international anti-corruption standards operational: Asset Recovery and mutual legal assistance," September 5-7, 2007 (Bali, Indonesia), at 1 and 23 and fn 56, accessed at <http://www.adb.org/Documents/Books/Asset-Recovery/Asset-Recovery.pdf>. U.S. Department of Justice Press Release, "Attorney General Eric Holder at the Opening Plenary of the VI Ministerial Global Forum on Fighting Corruption and Safeguarding Integrity" (Doha, Qatar), November 7, 2009, posted at <http://www.justice.gov/ag/speeches/2009/ag-speech-091107.html>; Acuerdo Entre el Gobierno de la Republica del Peru y El Gobierno de Los Estados Unidos de America Sobre Transferencia de Activos Decomisados, January 21, 2004, accessed at [http://www.rree.gob.pe/portal/Tratados.nsf/22ad71c70685eaa805256ea100718...\\$FILE/B-3047%20ACUERDO%20PER%20C3%9A%20-%20USA%20SOBRE%20TRANSFERENCIA%20DE%20ACTIVOS%20DECOMISADOS.pdf](http://www.rree.gob.pe/portal/Tratados.nsf/22ad71c70685eaa805256ea100718...$FILE/B-3047%20ACUERDO%20PER%20C3%9A%20-%20USA%20SOBRE%20TRANSFERENCIA%20DE%20ACTIVOS%20DECOMISADOS.pdf)