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## **More Settlements Reached in Foreign Bribery Cases, But Only 3% of Penalties Goes Back to Affected Countries**

**PANAMA CITY, Panama November 27, 2013** - A new report by the Stolen Asset Recovery Initiative (StAR) highlights the increase in enforcement actions to counter foreign bribery and the growing prevalence of settlements – that is, any resolution short of a full-scale trial – to conclude such cases and impose monetary sanctions.

The study, *“Left out of the Bargain,”* looks into the scope and value of settlements in 395 foreign bribery cases that took place between 1999 and mid-2012. StAR’s research examined cases in which the country where the legal settlements took place was different from the country where the bribery occurred. The study illustrates how little money has been returned or ordered returned to the countries whose officials were alleged to have been bribed. According to the report, only 3 percent (US \$197 million out of US \$5.8 billion) was returned to those countries.

Robust action to counter foreign bribery is a key factor in the global fight against corruption. The return of stolen assets to their legitimate owners and the compensation to affected parties are vital components of that effort.

*“Left out of the Bargain”* provides the first-ever comprehensive analysis of settlement practices by both civil and common-law countries, identifying how and to what extent settlements can further contribute to asset recovery. The report identifies innovative practices linking settlements with asset return, and calls on the international community to use these findings to address the continuing challenges in dealing with foreign bribery.

*“There has been considerable progress to date in fighting foreign bribery,”* said **Dimitri Vlassis** of the United Nations Office on Drugs and Crime (UNODC). *“More can and should be done to ensure that these efforts contribute also to asset recovery, which is a critical objective of the UN Convention Against Corruption. The return of assets to affected countries should be systematically integrated into the settlement processes and outcomes.”*

**Jean Pesme**, the coordinator of StAR, emphasized the key role of the international community in advancing the report’s conclusions. *“We also call on countries whose officials were allegedly bribed to intensify their efforts to investigate and prosecute corrupt officials, and use all avenues to become parties to settlements,”* said **Pesme**. *“Countries who have suffered harm from foreign bribery also need assistance to improve their prospects to trace and recover assets.”*

Contrary to widely held views, the report also concludes that, in principle, settlements are not an impediment to international cooperation. However, very few settlements have an international dimension. The report thus recommends more transparency on settlements, more proactive and spontaneous information-sharing among concerned jurisdictions, and expansion of the legal avenues for parties seeking redress.

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For more information, please visit: <http://star.worldbank.org/star/publication/left-out-bargain-settlements-foreign-bribery-cases-and-implications-asset-recovery>

**The Stolen Asset Recovery Initiative (StAR)** is a partnership between the World Bank Group and the United Nations Office on Drugs and Crime that supports international efforts to end safe havens for corrupt funds. StAR works with developing countries and financial centers to prevent the laundering of the proceeds of corruption and to facilitate more systematic and timely return of stolen assets. **For more information, please visit:** [www.worldbank.org/star](http://www.worldbank.org/star)

#### **About the World Bank Group**

The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries. It comprises five closely associated institutions: the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), which together form the World Bank; the International Finance Corporation (IFC); the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). Each institution plays a distinct role in the mission to fight poverty and improve living standards for people in the developing world. **For more information, please visit:** [www.worldbank.org](http://www.worldbank.org)

#### **About the United Nations Office on Drugs and Crime (UNODC)**

The UNODC is a global leader in the struggle against illicit drugs and transnational organized crime, including corruption. It is committed to achieving health, security and justice for all by tackling these global threats. UNODC fulfills a three-fold mission: research and analysis to produce authoritative reports and crop surveys; technical assistance to States in ratifying and implementing international treaties on drugs, crime, corruption, and developing domestic legislation consistent with these treaties; and training judicial officials. **For more information, please visit:** [www.unodc.org](http://www.unodc.org)

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