



The World Bank Group

Opening Statement by Mr. Gerard A. Byam, Director of Strategy and Operations, MENA Region, World Bank

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Your Excellencies, Honorable Ministers, Distinguished Guests. Let me begin by thanking our hosts the government of Morocco for their hospitality and excellent arrangements and for inviting us to Marrakesh - truly one of the world's great cities.

This second meeting of the Arab Forum in Marrakesh is an opportunity to take stock of progress since the first Arab Forum last year in Doha, when we discussed attempts to recover assets stolen from the Arab countries in transition. In taking stock, we need to recognize and learn from what has worked over the past year, but we also need to learn from what has not worked. In doing so, we can focus our efforts, as we move forward, on the most binding constraints to improving the performance of both requesting and requested countries.

This Forum is also an opportunity for the international community to show its commitment to assisting Arab countries in transition to recover stolen assets. The Forum is not about speeches, but about practical engagement and making progress. Let us have frank and constructive discussions on what works and what does not work. Let us build on the presence of both policymakers and practitioners to identify the stumbling blocks and agree on a collective and joint roadmap to tackle them.

Countries across the Middle East and North Africa face a wide range of complex governance challenges that have a direct impact on prospects for social and economic growth. The Arab Spring has presented these countries with new challenges, which in

some cases have added to economic problems that existed prior to the uprisings. At the onset of these popular uprisings, the emphasis on governance was, and continues to be, more pronounced, particularly in those areas of governance where there was little previous traction, such as access to information and civil society participation.

For the World Bank, transparency, accountability, and citizen participation are crucial principles of governance which guide our mission to end extreme poverty and promote shared prosperity.

Transparency is essential to building and maintaining a public dialogue. It also mitigates potential discretion and privileges, thereby leveling the playing field for economic opportunities.

Accountability of government action and inaction is critical for strengthening development effectiveness and sustainability. Given the huge social challenges facing countries in the Middle East and North Africa, reforms to enhance good governance are urgent and indispensable components of the region's present and future.

Citizen participation, in its most basic form, is about people's right to define and shape their future through public policies. The policies that are the outcomes of this process should lead to better livelihoods and enhanced development outcomes.

Where does asset recovery fit in this landscape? Why is the level of expectations on asset recovery so high? Is it too high?

Two signals related to asset recovery figure significantly and congruently in the Arab Spring countries as well as the outside world.

First, the recovery of stolen assets is a powerful signal that bad deeds do not pay. Second, by helping to recover the assets through international cooperation, the global community is signaling that it cares and do not want this to happen again. The

overriding message is the end of impunity.

We need to listen to these calls and expectations and not lose sight of the imperative to act, and not accept “business as usual”. However, we also need to manage those expectations by explaining that asset recovery is a complex and very lengthy process.

What lessons have we learned over the last year? Allow me to highlight four:

First, stolen assets can be recovered. It works. Given the relatively short time, these have been some of the notable achievements: the return of US\$29m from a bank account in Lebanon to Tunisia, Tunisia’s recovery of planes and yachts from France, Italy, Spain and Switzerland. This is an important precedent and is interesting because it shows that both physical as well as financial assets can be returned. Tunisia's request to Switzerland for mutual legal assistance was accepted and 60 Million Swiss francs allegedly stolen by the Ben Ali family were frozen and procedures are underway for their return to Tunisia. Several requests for mutual legal assistance or domestic cases for money laundering in financial centers are moving forward

The second lesson learned is that both requesting and requested countries need to be proactive and focused. Where there is a strong domestic mobilization and political oversight, progress is being made. Tunisia and the UK are good examples of such efforts. When practitioners work across institutions, share information and alerts on emerging constraints so that they are addressed, progress is being made.

Third, asset recovery requires hard work and the diligent collection of evidence and facts. This is about the rule of law and proving the illegal origin of the assets. One needs to remain reasonable on what is expected there, but increased cooperation between financial centers and Arab countries will be critical, and needs to be stepped up.

Fourth, asset recovery is a technical endeavor. Political mobilization and commitment is important, but the practitioners need to have the space and resources to do their job.

This includes continuing to build the capacity and specialization of the practitioners in charge of the cases.

Because it combines both the political and policy dimensions with the very technical facets of asset recovery, we believe that this Forum plays a unique and critical role.

StAR, like the World Bank as a whole, will continue to mobilize its expertise and provide the perspective of an honest broker in achieving asset recovery. StAR has worked on a range of practical initiatives with Arab countries and used its influence with financial centers to advance the asset recovery process. It has sought to overcome legal, political and other challenges that naturally arise as a result of the involvement of different governments, international bodies and private organizations. We will be there to bring this expertise and convening power to your efforts.

We very much look forward to the debates, exchanges, and side discussions over the next three days. Let us all express our hopes and expectations, let us vent our frustrations when needed, but let us chart a path for collective and practical actions with the goal of recovering more stolen assets.

Thank You