

Minister Helen McEntee TD,
Minister for Justice,
Department of Justice

By email

13 April 2021

Dear Minister,

I hope this finds you safe and well. As you might be aware, Transparency International (TI) Ireland published its report titled 'Safe Haven? Targeting the Proceeds of Foreign Corruption in Ireland' last month.

The report which was written with Dr Colin King of the University of London and anti-corruption specialist Alexander Chance, comes on foot of a number of cases involving the laundering of bribes and embezzled state assets through funds managed in Irish-based banks and insurance firms.

It also welcomes the publication of the Hamilton report and makes a further 18 recommendations that we believe would enhance Ireland's ability to prevent, detect, freeze and repatriate the proceeds of corruption to the citizens of victim countries. We would be very happy to share these and other insights with your officials to help inform the development of a national anti-corruption strategy over the coming months.

In addition, TI Ireland has welcomed the repatriation in August 2020 of €5.5 million in funds laundered through Ireland on behalf of the family of former President Sani Abacha to the Federal Republic of Nigeria. While international civil society organisations support the repatriation of these funds, we would ask that the Government of Ireland considers strengthening anti-corruption and transparency safeguards in any future agreements with victim countries.

This would be particularly important given the enormous sums involved. According to various estimates, well over €100 million has been frozen by the High Court as the proceeds of fraud and corruption in Uzbekistan. The beneficiary of these funds, Ms Gulnara Karimova, has been sentenced to more than 15 years in prison arising from her role in soliciting and laundering upwards of €1 billion from the proceeds of corruption and organised crime.

However, civil society organisations including Transparency International and the Uzbek Asset Return Network are concerned that if the funds are not repatriated with enhanced anti-corruption controls, that they will be vulnerable to misappropriation in a country with poor records on human rights, weak separation of powers and an absence of independent oversight institutions such as Uzbekistan.

We would therefore invite the Department of Justice to draw on international anti-corruption standards such as the Global Forum of Asset Recovery (GFAR) and CiFAR Civil Society Principles for Accountable Asset Return in drafting any memorandum of understanding (MOU) with the Government of Uzbekistan and/or the United States in respect to the repatriation of the Karimova assets.

In particular, any agreement should ensure that the repatriation of these assets is open and transparent, subject to adequate independent civil society participation, benefits the Uzbek people in line with Ireland's international commitments to SDG goal 16.4, and advocates for international independent oversight and due diligence in Uzbekistan's management and disbursement of corrupt assets.

In the meantime, we would be happy to discuss how best to ensure anti-corruption controls are included in any MOU with the Government of Uzbekistan, provide academic briefings on the political and governance environment in Uzbekistan, and to send on any further information you might require.

Finally, on behalf of TI Ireland I wish you and your family well with the impending arrival of your baby and look forward to you resuming your portfolio as Minister for Justice in due course.

Yours sincerely,

John Devitt
Chief Executive