

1. DETAIL

Case study title: *Who Cares about Other People's Money?* Establishing the UK International Corruption Unit [ICU] in a fragmented institutional landscape.

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Country: UK

Region: Europe

Type of intervention: defining organizational shape and resourcing for investigating inward proceeds of corruption.

Implementation year/s: 2006 to date

Implementing agency/ies: Department for International Development [DFID], International Corruption Unit [ICU], National Crime Agency [NCA].

2. OVERVIEW: THE CASE STUDIES

Corruption often been regarded as a stand-alone issue, with the establishment of an anti-corruption agency (ACA) being a stand-alone response to a commitment to do something about it. In most cases, countries do not develop an evidence-based and risk-based national anti-corruption strategy in advance of establishing an ACA and so do not always know the specific issues to be addressed and the appropriate response, or its specific focus. In particular there is often no pre-agency assessment of exactly what types of corruption¹ are to be addressed, whether a dedicated ACA is the appropriate response, what are – and what could be – the roles and responsibilities of existing institutions and where (as well as how and why) an ACA would add value.

This is not to say that establishing an ACA would be a wrong decision, but that various pre-establishment steps and assessments should be undertaken to ensure that the right decision is made – including whether an ACA is necessary. This case study is one of three that look at countries' experiences to illustrate some practical lessons to inform other countries' intentions.

3. OVERVIEW: THE UK CONTEXT

Both GRECO – 'there is no over-arching anti-corruption body or strategy in public administration'² – and Transparency International UK – 'the Government should

¹ While sometimes difficult to pin down an exact definition, corruption invariably involves the misuse of office for personal, partisan or other self-regarding interests. The United Nations Convention against Corruption (UNCAC) lists the main corruption offences as bribery, embezzlement, trading in influence, abuse of functions, illicit enrichment and money laundering.

² GRECO. 2004. *Second Evaluation Round. Evaluation Report on the United Kingdom*. Strasbourg: GRECO. The Group of States against Corruption (GRECO) was established in 1999 by the Council of Europe to monitor States' compliance with the organisation's anti-corruption standards.

conduct a public consultation on whether the UK should have an independent agency dedicated to combating overseas and UK corruption³ – raise the absence of a single anti-corruption body in the United Kingdom. Like many European countries, where addressing corruption has been a centuries-long and incremental process, bribery of public officials, has long been presented as inimical to democracy and the public interest, and generated appropriate legislative and law enforcement responses. In the UK this has meant the involvement of nearly 50 police forces nearly all of whom established, during the 20th century, their own Fraud Squads whose remit included bribery offences. Other anti-corruption roles and responsibilities were developed by and through a range of institutions, and often with very different processes and outcomes.

The number of domestic bribery cases has never triggered concerns for an institution with a national remit (although significant increases in fraud and other financial crimes have⁴). Even major corruption cases that have involved a number of forces have only elicited information-sharing managed centrally and the ad hoc availability of expertise from the London-based forces. Paradoxically, more recent scrutiny from inter/non-governmental organisations of UK governments' efforts to stop UK businesses from bribing officials abroad has led to an improved response for the international context, not only with new legislation but also changes to the institutional landscape. One was an extension to an existing remit – the Serious Fraud Office has taken on serious cases of fraud, international bribery and corruption and associated money laundering conducted by or involving corporate entities with a link to the UK - while the other, the subject of this case study, was the creation of an International Corruption Unit (ICU).

4. BACKGROUND: THE UK AND OVERSEAS DIRTY MONEY

In 2016, an Italian journalist specialising in the Naples crime syndicate the Camorra, told a UK literary festival⁵ that:

'if I asked you what is the most corrupt place on Earth you might tell me it's Afghanistan, maybe Greece, Nigeria, the South of Italy, and I will tell you it's the UK. It's not the bureaucracy, it's not the police, it's not the politics but what is corrupt is the financial capital.'

The issue was not unknown to the UK government which had already announced in 2014 that it knew 'that corrupt foreign officials target the UK, its financial institutions and professional services to launder their misappropriated funds and stolen assets'. Further, it took its commitment 'under the United Nations Convention against

³ Transparency International UK. 2014. Corruption in the UK. Overview and policy recommendations. London: Transparency International UK. p15.

⁴ See Doig, A. and Levi, M. (eds). 2021. *Frauds and Financial Crimes. Trends, Strategic Responses, and Implementation Issues in England and Wales*. London: Routledge.

⁵ Journalist Roberto Saviano, who wrote the best-selling exposés *Gomorra* and *ZeroZeroZero*, made the comments at the UK Hay Literary Festival in May 2016.

Corruption to collaborate on the tracing, seizing, recovery and return of stolen assets extremely seriously'.⁶

The UK has published a number of financial crime and anti-corruption Plans as well as inter-agency groups, protocols and procedures to address international bribery and the inward proceeds of corruption (including the return of the proceeds of corruption). However, with many police forces and a number of specialist agencies, an institutional gap in investigations both of foreign bribery and the inward flow of the proceeds of corruption, existed because of a wider range of competing financial crime strategies and priorities, various funding streams, issues of ownership, organizational focus and resources to deliver any commitment in relation to proceeds of corruption entering the UK. Establishing an appropriate response has required leadership, inter-agency negotiation and continuing support. This case study reviews how this response was achieved in the fragmented UK institutional landscape.

5. THE ATTRACTION OF 'LONDONGRAD' AND THE PROBLEMS OF GOVERNMENT RESPONSES

5.1 Overview

The investigation of international corruption and inward proceeds of corruption involving overseas politicians and PEPs (Politically-Exposed Persons those with links to overseas regimes) has not been a general UK law enforcement priority. Indeed, OECD concerns over the existing legislative framework was amplified by the UK Parliament's Africa All Party Parliamentary Group in the early 2000s⁷. In drawing attention to the fragmentation of the investigatory and prosecuting authorities powers to freeze assets, the latter noted that responsibility lay among 'several agencies involved in preventing, investigating, acting on and enforcing money laundering issues' and that there was an absence of responsibility and earmarked resources to work on repatriating the proceeds of foreign corruption. The main focus in this case study is on how the UK sought to address a specific corruption issue within a fragmented institutional landscape but first it is important to note the evidence of the risk that that the UK faced and its response.

5.2 London Appeal

The label 'Londongrad' - reflecting as much concern over post-soviet PEPs as developing countries' proceeds of corruption relocating to the capital - nevertheless exemplified the longstanding preference of many other past and present politicians and PEPs for London as a safe investment and relatively relaxed regulatory regimes for high-end net worth resident lifestyles (as the Panama papers confirmed in some detail). For example, James Ibori, the governor of Delta State, Nigeria who had acquired a

⁶ HM Government. 2014. *UK Anti-Corruption Plan*. London: Home Office. pp41,42.

⁷ See Africa All Party Parliamentary Group. (2006), *The Other Side of the Coin: The UK and Corruption in Africa*. London: House of Commons; Africa All Party Parliamentary Group. p47; OECD (2001), *United Kingdom Review of Implementation of the Convention and 1997 Recommendation: Phase I BIS Report*. Paris: OECD;

criminal record in the UK in the early 1990s for theft and handling stolen goods was convicted some 20 years later of money laundering and other offences in the London courts. At his unsuccessful appeal in 2018 the court noted that, as the Governor of the Delta state of the Federal Republic of Nigeria from 1999-2007, it was alleged that he defrauded the state of some US\$89 million and that he intended to secrete the proceeds of this political corruption in offshore accounts and trust funds. Part of the proceeds were moved to the UK to buy London-based and other properties worth £6.9m and a fleet of luxury cars, as well as pay for his daughters' education at a UK private school. He has been a number of high-profile political leaders with investments and properties in London, often commented on in the media but against whom there has been limited law enforcement or prosecutorial action (although in one case a former African President was sued in the London courts supported by the Department for International Development (DFID), only for him to be acquitted of any predicate offence in his own country).

The scale of the laundering of criminal proceeds, as the UK's National Crime Agency warned in its 2015 threat assessment, was 'a strategic threat to the UK's economy and reputation', with 'bribery and corruption (including the laundering of the proceeds of corruption, for example by Politically Exposed Persons (PEPs)...a critical enabler to all criminality types and damages the UK economy'.⁸ Government had already promised the year earlier in the UK *Anti-Corruption Plan* that it would more effectively tackle 'those who engage in corruption or launder their corrupt funds in the UK' as well as return inward proceeds of corruption (also a core tenet of UNCAC in Article 3 but imperfectly applied thereafter by most developed countries⁹).

By 2018 the UK Government was announcing that it had plans to 'stop dirty money in its tracks and send a message to crooks that we are clamping down on spaces for them to hide their illegally gained wealth'.¹⁰ New initiatives have been introduced. For example, the Criminal Finances Act 2017 introduced 'unexplained wealth orders' (UWO) and the supporting 'interim freezing orders'. The former requires a person who is reasonably suspected of involvement in, or of being connected to a person involved in, serious crime to explain the nature and extent of their interest in particular property, and to explain how the property was obtained, where there are reasonable grounds to suspect that the respondent's known lawfully obtained income would be insufficient to allow the respondent to obtain the property.

5.3 The Law Enforcement Landscape

⁸ National Crime Agency. 2015. *National Strategic Assessment of Serious and Organised Crime 2015*. London: NCA. *The NCA is the current iteration of a national agency with responsibility for serious and organised crime*.

⁹ See World Bank/StAR. 2009. *Stolen Asset Recovery. Management of Returned Assets: Policy Considerations*. Washington: World Bank and *Proceeds of Corruption: Frameworks For the Management of Returned Assets. Draft Concept Note*. Washington: World Bank; World Bank and UNODC/StAR. 2014. *Left out of the Bargain. Settlements in Foreign Bribery Cases and. Implications for Asset Recovery*. Washington: StAR.

¹⁰ <https://www.gov.uk/government/news/new-uk-aid-package-will-stop-dirty-money-in-its-tracks-and-recover-millions-of-pounds-for-developing-countries>.

UWOs are available to a small number of what are ‘enforcement authorities’ but not available to the wider law enforcement and prosecution community, except by referral to one of these bodies. This exemplifies two issues – the UK institutional landscape and the allocation of what role to which agency. There are nearly 50 police forces in the United Kingdom, dedicated police forces, and a smaller number of agencies with a national remit (specially the National Crime Agency (NCA), the Serious Fraud Office (SFO) and the Crown Prosecution Service). Much of the effort to develop agencies’ relationships with other agencies is framed by strategies or plans (such as the police fraud strategy, the *Anti-Corruption Plan* (now strategy), the serious organized crime strategy, the cybercrime strategy, and so on). There are high-level boards, such as the Economic Crime Strategic Board and the Economic Crime Delivery Board jointly located in the Home Office and HM Treasury. In some cases regional units have been set up by drawing resources from local police forces; in others dedicated staff are funded from central government resources.

To address intelligence, case-sharing or inter-agency work at national level (where international corruption or corruption with an organised crime dimension), the responses may be institutionally rooted, such as the NCA’s International Anti-Corruption Coordination Centre (IACCC), an intelligence hub that brings together specialist law enforcement officers from multiple agencies around the world to tackle allegations of grand corruption and its new National Economic Crime Centre which brings together law enforcement and justice agencies, government departments, regulatory bodies and the private sector with a shared objective of driving down serious organised economic crime. It may also be *ad hoc*, as in the case of the arrangements¹¹ to ensure that overseas victims, whether affected states, organisations or individuals, of bribery, corruption and economic crime, are able to benefit from asset recovery proceedings and compensation orders made in the UK through discussion between a range of agencies, including the SFO, the Crown Prosecution Service, DFID, the Foreign and Commonwealth Office (FCO), the Home Office, HM Treasury and the National Crime Agency.

5.4 The Proceeds of Corruption; Inward or Outward?

As the 2014 StAR review pointed out, most of the financial sanctions were imposed by law enforcement or prosecutorial agencies in countries different from the one that employed the bribed or allegedly bribed official and most were imposed by the countries where the corrupt companies (and related individual defendants) were headquartered or otherwise operated. In the UK, much of this work has been undertaken by the Serious Fraud Office [SFO] whose remit primarily included complex commercial fraud. As it has long rigorously managed the number of cases accepted for investigations - and its uses of asset recovery and money laundering offences usually

¹¹ Initiated by the same official behind this case study. He led the extensive discussions between DFID, the SFO and other agencies to agree a set of general principles (issued by the SFO and CPS in June 2017) intended to ensure that overseas victims – affected states, organisations and individuals – of bribery, corruption and economic crime, are able to benefit from asset recovery proceedings and compensation orders made in the UK.

linked to the predicate offences - the UK response has been seen as limited in terms of a primary focus on the proceeds of corruption¹².

Further, allegations not taken on the SFO would be passed to the police force where the HQ of the UK company was located. With the range of geographically-located local police forces, all of whom have been the subject of year-on-year financial cuts and of competing public order agendas, the cost associated with investigating bribery allegations in foreign jurisdictions, and the cost of identifying, tracking and recovering the proceeds of corruption, a coherent, has also severely limited a comprehensive UK response beyond the role of the SFO. Within that response, inward proceeds of corruption, particularly without the prior involvement of UK business, has had a lesser priority. Reviews by various external oversight or advocacy bodies, such as Transparency International UK, FATF and the OECD Working Group on Bribery in International Business Transactions, had noted this and prompted consideration of some form of improved organisational shape for what the former termed '*Corruption on your Doorstep*' when referring to a UK-owned property which would 'provide a secure investment, but also help bestow prestige, respectability and a bolthole when the going gets rough at home'.¹³

5.5 Boundary-spanning

A first step toward a more coherent response was the decision by DFID to take the lead and commit its resources to a dedicated national capacity. It had a senior official who was to act as the institutional 'boundary-spanner'¹⁴ in negotiating between agencies, ensuring momentum and able to adapt responses to changing circumstance. Crucially the official was also authorised to commit, ring-fence and oversee dedicated resources over a substantial period of time as well as, later, influence the selection of likeminded officials to lead the initiative operationally. Thus In 2006 DFID agreed to fund dedicated units within the two London police forces; the Proceeds of Corruption Unit (POCU) in the Metropolitan Police and the Overseas Anti-Corruption Unit (OACU) in the City of London Police. It paid for an International Corruption Intelligence Unit (ICIC) within the Serious Organised Crime Agency (SOCA; the predecessor to the NCA) to gather and share intelligence from the Agency's in-country International Liaison Officers (ILOs) to provide additional information to both POCU and OACU. All three arrangements also meant that Unit officials were already serving staff of one of the three agencies who were responsible for a recruitment, training, technical support, and other requirements. DFID also funded 2 posts in the national Crown Prosecution Service (CPS) to deal with prosecutions and other work.

¹² Although in a 2018 case where a company that had pleaded guilty to corruption charges in Canada but was then bought by a UK corporation and where the share 'sale' that would have benefited corrupt Chad officials, via a UK broker, the corrupt proceeds were deemed to have entered the UK's jurisdiction and the SFO began civil recovery proceedings to secure profits from the sale.

¹³ Transparency International UK. 2015. *Corruption On Your Doorstep How Corrupt Capital is Used to Buy Property in the UK*. London: Transparency International UK. p3.

¹⁴ A person able to facilitate mutually-beneficial inter-agency arrangements through: building sustainable relationships; managing through influencing and negotiation; managing complexity and interdependencies; and managing roles, accountabilities and motivations. See Williams, P. 2002. 'The Competent Boundary Spanner'. *Public Administration*. 80(1): 103-124.

This arrangement worked until the next decade. Complaints about the poor UK response to Egyptian authorities' requests¹⁵ following the Arab Spring were followed by what was intended as very visible and robust support to the new government of Ukraine after the 2014 fall of Viktor Yanukovich. The Ukraine Forum on Asset Recovery (UFAR) was jointly organized by the United Kingdom and the United States of America in support of efforts by the Government of Ukraine to recover stolen assets¹⁶. This included a Kleptocracy Investigation Unit (KIU) within the NCA which also housed the UKFIU (which receives suspicious activity reports [SAR]) and International Corruption Intelligence Cell (ICIC). This meant that growing issues of coordination and cooperation, as well as information-sharing, were hampering practice and progress on the ground.

On the other hand, the flexibility of the existing arrangements allowed for change as a consequence of the dynamics of the proceeds of corruption, with practice on the ground raising emerging issues of an effective response, coordination and cooperation, as well as information-sharing. Thus further reconfiguration within the existing institutional arrangements could be achieved in terms of integrating intelligence- and investigation-based work, and removing demarcation issues between the various units and agencies. As lead funder as well as the policy driver, DFID proposed at the end of 2014 a single institutional configuration which was to become the ICU within the NCA.

6. THE RESPONSE AND IMPLEMENTATION PROCESS

6.1 The creation and focus of the Unit

Obtaining agreement from the NCA to act as sole parent agency, DFID proposed an amalgamated Unit (the ICU) to bring together the work of the different anti-corruption units from the Metropolitan and City of London police together with the KIU and the NCA Sanctions Unit. It would be supported by the Bribery and Corruption Intelligence

¹⁵ *Guardian* 2 September 2012: Hosni Mubarak, the ousted former president, was sentenced to life in jail in June. A six-month investigation, conducted by BBC Arabic and released in conjunction with the *Guardian* and al-Hayat, a pan-Arab newspaper, identified many valuable assets linked to his family and their associates that had not been frozen. These included luxury houses in Chelsea and Knightsbridge and companies registered in central London. One member of Mubarak's inner circle was alleged to have even been permitted to set up a UK-based business in recent months, despite being named on a British Treasury sanctions list of Egyptians who are linked to misappropriated assets and subject to an asset-freeze.

¹⁶ *Department of Justice; Office of Public Affairs*; 28 April, 2014. The UK Home Secretary promised that the UK would 'provide practical leadership and assistance to the Ukrainian government as they identify and recover assets looted under the Yanukovich regime... we are making it harder than ever for corrupt regimes or individuals around the world to move, hide and profit from the proceeds of their crime'. It was also announced at the same time that SFO was investigating allegations of corruption linked to the Yanukovich regime and had obtained a court order to restrain assets valued at approximately \$23m. The case collapsed within a year when a British judge ruled that the SFO had built its case on 'conjecture and suspicion', and ordered the money returned to its owner (see *Guardian*; 12 April 2017). No member of the regime has been charged of any offence in the UK and, as far as is known, no further funds were restrained.

Unit (BCIU, formerly the ICIC) , and input from a DFID-funded prosecution team. It would be located within the NCA's Economic Crime Command, part of the same deputy directorate as the UKFIU (and thus has access to the UK SARs; in 2017/18 its intelligence function received 1,851 SARs relating to international corruption). DFID also had significant input into proposing the initial law enforcement leadership of the new Unit who shared DFID's intentions and who would ensure its implementation. The Unit was live from mid-2015. The ICU is thus a law enforcement unit within a law enforcement agency. It has the responsibilities for investigating bribery, corruption and money laundering in DFID priority and other countries, supporting foreign law enforcement agencies with international anti-corruption investigations and investigating bribery involving UK-based entities which have an international element and other cross-border bribery with a UK nexus.

4.2 Staffing and Resources

The Unit is jointly funded by the NCA (20%) and by DFID (80%; ring-fenced and paid through the NCA) which addresses the major operational investment required for investigations (including travel to potentially multiple countries) and to secure cooperation with different police forces within the necessary long time frames for investigations. Its budgets have been: £3.09 million in 2015/16, £4.72 million in 2016/17, £5.36 million in 2017/18, and £4.32 million in 2018/19.

It has a staff of 45 persons of whom 30 were frontline investigators; it also included officials from the SFO and the Financial Conduct Authority (FCA; the regulator for financial services firms and financial markets in the UK) to facilitate information-sharing. Staff expertise is enhanced by NCA financial investigator training and bribery investigations training run by the City of London Police. Specialist support is accessible through NCA intelligence collection techniques which the NCA can deploy in pursuit of its crime reduction mandate.

4.3 Case Sources and Acceptance

The first location for international bribery cases is the SFO; if the cases do not fall within its case acceptance criteria, they are passed to the ICU. In undertaking their investigations, the ICU relies on the ILO network (and a flexible foreign travel budget funded by DFID) made up of NCA officers attached to embassies overseas. Further cases are sourced both reactively and proactively with a number having been developed from SARs; in addition, there are some law enforcement referrals from regulators including the FCA as well as referrals from NCA intelligence.

Current decisions about which cases to take on are determined by: DFID countries of interest; location of evidence and whether it can be secured; UK evidential standards; evidential prosecution standards in countries from which the proceeds of corruption emanate; and whether requests about inward proceeds of corruption are politically motivated or follow regime change.

4.4 Impact

In terms of organisational impact, the ICU currently has a caseload of 23 cases running and with current resourcing, they can handle in the region of 23-25. By 2018 the value

of assets restrained in the UK and overseas exceeded £683m, while the cumulative amount of assets confiscated exceeds £55m. Considerable progress has been made on increasing the number of anti-bribery and money laundering cases under investigation, diversifying the countries to which the ICU cases relate, and building strong relationships with overseas law enforcement authorities. In terms of external impact this is limited. While the work of the NCA – for example in relation to the use of UWOs or the establishment of the National Economic Crime Centre – is often reported in the media, that of specialist units is only sporadically mentioned; this is often a consequence of the complexity of the institutional landscape and the nature of UK media’s tendency not to spend too much time explaining specialist functions to a general readership.

4.4 Constraints

Operationally for the ICU there are concerns about the current overall MLA regime in terms of: the legality of requests and possible human rights issues; one-way inward ‘fishing expeditions’ under UNCAC rather than the presentation of available intelligence gathered from registries, and the like in a way that would enable the requesting police force to frame a request so that it will be accepted; the movement of requests from the Home Office to the ICU which can take time.

Organisationally the achievement very much reflects part of the intentions of UNCAC Article 36 and has relied on, in the absence of a plethora of separate agencies, the flexibility of ‘parent’ institutions and the availability of ‘boundary spanners’ – senior officials with a focus and a degree of executive authority, as well as a degree of trust from relevant institutions. Further the boundary spanner could reinforce innovative proposals with dedicated resources (and continuing control over those resources), to deliver the necessary institutional arrangements and also maintain – to date – its organisational development and consolidation.

Within the overall anti-corruption institutional architecture, however, and despite the continuing support for internationally focused anti-corruption activity in the UK, the ICU could be vulnerable to external factors. These include the inevitable short-term time horizon of UK governments and annual performance indicators with the consequent need for governments to demonstrate ‘success’, the risk of their bringing out additional initiatives, changing focus and moving resource to other priorities, and the funding and prioritisation afforded by DFID.

At the same time being, ultimately, staff of the parent agency, means the ICU is also susceptible to any changes to the priorities and structures of the parent agency. Thus changes internally to the wider NCA may not prioritise the role of the ICU and the purpose of DFID funding. The NCA is undergoing a move to a threat-based horizontal model with pooled intelligence and investigations, known as integrated operational teams, which suits the investigation of organized crime as the NCA’s core business. This may have the consequence of the ICU being ‘an oddity in that it is a very specialist function’ and ‘one of the silos’ that the NCA wishes to remove to facilitate a more flexible and dynamic institutional and operational approach. Such restructuring may well meet organisational objectives for the NCA but it may have future unintended

consequences in terms of the impact on the ICU and its role as part of the UK's response to the international anti-corruption rhetoric.

5. REFLECTIONS AND LESSONS

5.1 A Working Response

The UK response has been a sensible and to date successful organizational adaptation – and reorganization(s) – within an existing law enforcement framework. The consequence has been a unit of law enforcement expertise within a larger law enforcement agency, but with specific remits – investigating bribery overseas and inward proceeds of corruption – and dedicated funding that has ring-fenced delivery. In a country without a single anti-corruption agency, this case study provides guidance on how such an initiative can be achieved but also raises longer-term issues about the need to embed and sustain that organizational focus in the longer term against a continuing climate of financial austerity and institutional dynamism.

5.2 Context Revisited

More recently there have been a range of new organisational arrangements, including a refreshed *Tackling Foreign Bribery* MoU which addresses the role and remit of the relevant agencies and sets out the mechanisms by which the agencies will co-ordinate the UK's response to foreign bribery, a Joint Anti-Corruption Unit in the Home Office to coordinate domestic and international anti-corruption efforts and promote stronger links between anti-corruption and other economic and organised crime, an International Anti-Corruption Co-ordination Centre within the NCA for international information-sharing and the governmental Economic Crime Strategy Board to oversee a coordinated UK approach to serious economic crime.

5.3 Continuing Impact

In terms of a coherent set of responses that reflect both UNCAC and the UK government rhetoric the UK has developed a set of initiatives to address inward proceeds of corruption. At the centre is the ICU which has already used some of these new powers, such as the Criminal Finances Act 2017, to freeze the UK accounts. One recent case involved a UK national prosecuted in a foreign state for bribery offences where the ICU is conducting its own investigation into the potential for the funds to be proceeds of crime, with a view to forfeiting them. Another involved the forfeiture of nearly £500,000 from the son of a former South-east Europe Prime Minister (who is currently serving a nine-year prison sentence for his role in the theft of \$1bn was stolen from his country's) where the funds had in part, and unsurprisingly, been used to buy London property and a high-end vehicle. More UWO cases are pending.

5.4 Resourcing and Sustainability (again)

The relationship between the ICU and DFID was innovative as a solution to tackling overseas corruption through institutionalisation into a single unit. Wide political support was crucial in the setting up of the ICU in 2015 and the commitment from DFID for an extension to its funding to 2020 is positive. The funding also recognises,

for the moment, the time taken to investigate highly complex cases. Indeed, the work of the ICU to date suggests, as the OECD Working Group argues, the NCA ICU should be provided with adequate resources to enable it to efficiently carry out foreign bribery investigations, including where these concern foreign bribery occurring outside developing countries.

On the other hand, in 2020, DFID was effectively closed down and its work merged with that of the FCO, creating the Foreign, Commonwealth and Development Office (FCDO). Without its major governmental sponsor, wider organisational objectives and the need to be able to demonstrate both action and value for money may affect its future, particularly now the 2019 Economic Crime Plan is in place and for which the Economic Crime Strategic Board is responsible. The Plan has confirmed that UK Aid¹⁷ will pay for increased ICU staffing levels to 2025, but the FCDO also funds the newer International Anti-Corruption Co-ordination Centre within NCA which brings together law enforcement officers from multiple jurisdictions to target high-level corruption and the proceeds of corruption, raising the possibility of internal rationalisation and shared resources.

Nevertheless, the achievement of the ICU very much reflects the intentions of UNCAC Article 36 in a context where coordination and cooperation provide an alternative approach to the single Anti-corruption Agency¹⁸. The Unit has the relevant expertise and experience and, within a larger agency, able to draw on intelligence and technical skills. Much of that achievement has relied on the flexibility of 'parent' or other existing institutions, some means to coordinate the work, and the availability of 'boundary spanners' – senior officials with a focus and a degree of executive authority, as well as a degree of trust from relevant institutions. Further the boundary spanner could reinforce innovative proposals with dedicated resources (and continuing control over those resources), to deliver the necessary institutional arrangements and also ensure its organisational development and consolidation. At present, the ICU is well-placed to implement new initiatives to address inward proceeds of corruption but, as the NCA changes its operational configuration to better address its core business, so there is likely to be further organisational change with implications for the current UK institutional anti-corruption architecture, with implications for the longer-term sustainability of, currently, an effective working response.

¹⁷ UK Aid is the badge used by the FCDO for any overseas expenditure.

¹⁸ Art. 36: Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies or persons specialized in combating corruption through law enforcement. Such body or bodies or persons shall be granted the necessary independence, in accordance with the fundamental principles of the legal system of the State Party, to be able to carry out 27 their functions effectively and without any undue influence. Such persons or staff of such body or bodies should have the appropriate training and resources to carry out their tasks.