



Study on:

**Requirements for Enhancing the Integrity  
and Effectiveness of Asset Recovery Operations  
Recovery in Palestine, Reality and Challenges**



**AMAN**  
Transparency Palestine



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2025

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# 1. Introduction

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Corruption is a social, political, and economic phenomenon with a negative impact on all societies. It is also considered one of the most important factors that undermine the construction of democratic institutional frameworks and one of the main challenges hindering economic development, social justice, and the establishment of a rule of law based on participation, transparency, and accountability.

Therefore, whenever there is corruption in its various forms, including political corruption resulting from the policy of acquisition and control over resources, wealth, and privileges by influential individuals in the state, and controlled by a specific entity, justice and equality disappear. As a result, the poor class and marginalized groups increase, and the foundations of loyalty and citizenship vanish, which makes the people feel alienated and lacking community belonging, which results from their sense of inequality and discrimination.

The international community has given significant attention to addressing and combating corruption since the beginning of this century because of its adverse impact on various aspects of life—development, rights, and freedoms. With corruption, favoritism, nepotism, and political monopolization of wealth, there cannot be justice, equal opportunities, participation in decision-making, fair distribution of wealth, and social rights.

The social conditions have confirmed this in many countries where corruption is rampant. The damage corruption causes is not limited to the political aspect alone, which is manifested in the acquisition, control, and harnessing of the state's resources and revenues for the benefit and interest of a specific group. Rather, in many countries, corruption has led to large burdens of debt that deplete their revenues and affect their role and ability to work for the public interest and to provide various services to meet the needs of their citizens.

Perhaps the World Bank's description of this relationship summarizes the impact of corruption on peoples: The World Bank sees that the real cost resulting from the corruption of the ruling class is much higher than mere embezzlement of funds, as it includes the deterioration of public institutions, especially financial ones, the destruction of the investment climate, and the deterioration of basic public services such as health and education, which primarily affect the poor citizen<sup>1</sup>.

The United Nations and the World Economic Forum estimated the global cost of corruption in 2022 to be equivalent to 5 trillion US dollars annually from stolen and looted funds worldwide<sup>2</sup>. Meanwhile, the World Bank estimated the value of losses because of corruption in 2022 to be around 2.6 trillion dollars, which is equivalent to 5% of the global GDP<sup>3</sup>. The African Development Bank estimated the value of corruption in the African Union to be about 300 billion dollars, consuming 25% of the total national output of the African continent's countries combined<sup>4</sup>.

Some estimates show that the cost of corruption and the waste of public and private funds in the Arab region have led to an increase in service costs by 20% to 50% over the original cost of services, negatively impacting the social and economic reality of citizens<sup>5</sup>.

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1 Osama Diab. Will we recover our looted funds? Egypt's smuggled assets between reconciliation deals, acquittals, and institutional corruption, Egyptian Initiative for Personal Rights, First Edition, March 2013, p. 7.

2 <https://giaccentre.org/the-cost-of-corruption>

3 <https://www.argaam.com/ar/article/articledetail/id/1633420>

4 Faida Ali Abidin. "The Main Features and Indicators of Corruption in the African Continent," African Studies Journal, published by the Graduate School of African Studies – Cairo University, Volume 41, Issue 1, January 2019, p. 273.

5 <https://www.alayam.com/Article/courts-article/410277/Index.html>

Some estimates show that the cost of corruption and the waste of public and private funds in the Arab region have led to an increase in service costs by 20% to 50% over the original cost of services, negatively impacting the social and economic reality of citizens .

It is clear in Palestine and our Arab region that there is a large gap in combating corruption in these countries, as more than half of the Arab countries, according to the Corruption Perceptions Index (CPI) for the public sector issued by Transparency International for the year 2024<sup>6</sup>, remain in the second and last thirds on the list of classification of countries suffering from public sector corruption, while four Arab countries were classified among the most corrupt countries in the world.

Despite the lack of precise indicators regarding the cost of corruption and the scale of illicit revenues arising from corruption in the Arab region, because of the intervention of influential figures and security forces to prevent the dissemination of any data related to corruption because of its connection to ruling regimes and the influential members of the ruling elites, the Arab looted funds have been estimated at to be in trillions of dollars.

Some data show that there is around \$200 billion of looted Arab funds hidden in Swiss banks. The amount of money that was absconded during the Arab Spring countries (Egypt, Tunisia, Libya, Yemen) is estimated to be around 500 billion dollars<sup>7</sup>. Meanwhile, Transparency International stated in 2014 that the looted funds taken by the ruling regimes in Egypt, Libya, Tunisia, and Yemen amounted to 165 billion dollars<sup>8</sup>.

Estimates show that 64 billion dollars were embezzled during Al-Bashir's previous regime in Sudan, while estimates of embezzled funds from Lebanon over the past ten years range between 50 and 60 billion dollars, which is equivalent to 70% of the public debt. The head of the Iraqi Integrity Commission estimated the amount of Iraqi funds obtained from corruption, looted, and smuggled out of Iraq by 2021 to be around 600 billion US dollars<sup>9</sup>, while smuggled funds from Algeria were estimated to be between \$300 and \$350 billion<sup>10</sup>.

A report by Transparency International showed that the volume of embezzled and illicitly transferred funds worldwide reached approximately 2 trillion US dollars in 2021, with the Middle East accounting for about 17% of this amount, equivalent to 340 billion dollars<sup>11</sup>.

There are several reasons for the spread and proliferation of corruption in Palestine and the Arab world, the most important of which is the concealment and withholding by the ruling political regimes

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6 Transparency International has adopted this index since 1995, and the ranking of Arab countries on the global scale according to the Transparency International index for 2023, which pertains to the perception of corruption for 180 countries, is as follows: (UAE 26, Qatar 40, Saudi Arabia 53, Kuwait 63, Jordan 63, Oman 70, Bahrain 76, Algeria 104, Egypt 108, Mauritania 130, Djibouti 130, Lebanon 149, Iraq 154, Sudan and Comoros 162, Libya 170, Yemen 176, Syria 177, Somalia 180).

Palestine has not yet been included in the Corruption Perceptions Index due to the lack of information provision; at least three sources of information (out of 13 approved sources) must be provided by countries.

The Corruption Perceptions Index ranks countries on a scale from 0 (highly corrupt) to 100 (highly clean), and based on this index, the ranking of Arab countries in points is as follows:

Somalia 11, Syria 13, Yemen 16, Libya 18, Sudan 20, Iraq 23, Mauritania 30, Egypt 35, Algeria 36, Morocco 38, Tunisia 40, Oman 43, Jordan 46, Kuwait 46, Saudi Arabia 52, Qatar 58, UAE 26):

[https://www.transparency.org/en/cpi/2023?gad\\_source=1&gclid=EAlalQobChMI\\_J3roLKCiwMV8KSDBx1W5QC9EAAAYASAAEgIDe\\_D\\_BwE](https://www.transparency.org/en/cpi/2023?gad_source=1&gclid=EAlalQobChMI_J3roLKCiwMV8KSDBx1W5QC9EAAAYASAAEgIDe_D_BwE)

7 <https://www.noonpost.com/35348/>

8 Transparency International. "The Missing Billions: Recovering Public Funds in Egypt, Libya, Tunisia, and Yemen," 2014, p. 4.

9 Transparency International. "The Missing Billions: Recovering Public Funds in Egypt, Libya, Tunisia, and Yemen," 2014, p. 4.

10 <https://www.noonpost.com/35348/>

<https://www.jassemajaka.com/?p=13151&lang=ar>

<http://www.rmeich.org/details.php?id=465>

11 Mohamed Mahmoud Abu El-Gheit. "The Legal Foundations for the Recovery of Stolen Assets," op. cit., p. 250.

"Perhaps one of the paradoxes in the extent of exploitation and investment by the ruling systems in the Third World is that the President of the Republic of Congo embezzled five billion dollars during his rule (1965-1997), an amount that at the time equaled the size of Congo's external debt." the source above, p. 250.

and official information centers of information related to the ways and means of spending public funds. This is besides the absence of effective oversight and the weakness of the legislative system, and its connection to the extremely corrupt ruling political system, gives the perpetrator's immunity and protection. Combating corruption and recovering looted funds in the Arab world and Palestine, especially confronting corrupt offenders, remains a political matter subject to the desires and directions of the ruling regime.

Despite divergent opinions about the Arab Spring, about who stood behind it, its reasons and purpose, the uprising has helped to reveal the extent of corruption and embezzlement of public funds by politicians and their close family members, and their social and political circles. During their tenure in the various regimes, these officials appropriated a portion of the public wealth. This waste and plundering of public funds in their countries had an adverse impact on the public debts, which burdened the public and adversely affected the living conditions and public services for the citizens of the region's countries.

With that, recovering and restoring the looted wealth of nations merits serious concerted efforts, whether in terms of internal procedures such as investigation and research, or with legislative and judicial actions, to ensure the success of these nations in their pursuit of recovering these funds, to which the people are rightfully and legally entitled. These measures would be effective deterrents against perpetrators of corruption and those who seek illicit enrichment and abuse of their power, ensuring their pursuit and stripping them of what they have unjustly gained.

This brief paper on the requirements for enhancing the integrity and effectiveness of asset recovery operations in Palestine will focus on clarifying and defining what is needed to recover what was looted and smuggled, and the assets and funds gained through any form of corruption. It will identify the main challenges and issues faced by many countries in the Arab region that have embarked on tracing and recovering looted funds, so that Palestine does not encounter the same challenges and obstacles.

## 2. Recovery of Embezzled Funds

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Naturally, corrupt individuals conceal funds and assets they obtained through corruption to prevent their confiscation by the state. They disguise these illicitly gained money and assets in various ways that obscure their source and means of acquisition and make them seem legitimate. Meanwhile, in order to make sure they evade punishment and prevent the state from accessing their illicitly gained gains, some may transfer and smuggle these funds to other countries, commonly known as safe havens, which guarantee them protection and/or banking secrecy, shielding these assets from being confiscated, frozen, or recovered.

The recovery of funds obtained through any form of corruption is not merely a retrieval of money that was unlawfully looted and acquired. Rather, in our belief, the recovery is one of the most important measures that, when implemented, gives meaning and value to the combat against corruption, limits its risks and proliferation; it serves as a general deterrent within society against this crime.

Conversely, silence, incompetence, or failure to recover and return the embezzled funds, regardless of their size and value, serves as a justification and incentive for those who seek enrichment and gain through the exploitation of public and private money for personal purposes and benefits.

Considering this, it is possible to conclude that there is an inverse relationship between recovery and corruption. The tougher the pursuit and recovery of criminal proceeds, the lower and less frequent the rate of corruption crimes becomes. Conversely, the opposite is probably true; that is, the less diligent and effective the efforts to recover and return the unlawful proceeds of corruption, the higher and more frequent the rate of these crimes, as the perpetrators of this crime perceive and feel a sense of impunity and immunity from punishment, pursuit, and follow-up. They benefit from and enjoy what they have gained from criminal proceeds, whether by laundering them outside the country or by investing and within.

### 2.1. Definition of Recovery

The terms used to refer to the recovery of criminal proceeds arising from corruption crimes are varied. Some refer to it as the recovery of looted funds, while others describe it as the recovery of assets or the restitution of properties, or the repatriation of embezzled assets. The United Nations Convention against Corruption (UNCAC) of 2003 addressed recovery in the text of its fifth chapter "51-59," which was limited to mentioning measures related to the direct recovery of assets and mechanisms for property recovery, without a clear definition of what the concept of recovery means.

The Arab Convention Against Corruption, concluded in 2010, also did not define the concept of recovery. Its treatment of the subject of recovery was limited to what was mentioned in Article 27 of the convention regarding the commitment and obligation of the contracting states to cooperate and assist each other in the recovering properties obtained by crimes referred to in the convention. Meanwhile, Article 30 of the same convention clarified that the purpose of recovery is to return the proceeds arising from corruption to their rightful owners.

The African Union Convention on Preventing and Combating Corruption of 2003 avoided delving into many of the details covered by the United Nations Convention against Corruption. Therefore, the convention only addressed recovery in Article 16, which dealt with judicial cooperation and the confiscation of objects and proceeds obtained through corruption.

Perhaps the clearest international definition of this term is in the report of the Open-Ended Intergovernmental Working Group on Asset Recovery, which defined recovery as "... Any international transfer of proceeds of corruption to another country, a former legitimate owner, or victims harmed by corruption in another country."<sup>12</sup>

As for the national legislation regarding the definition of recovery, Arab anti-corruption laws have not addressed that definition as related to judicial collaboration, and one of the most important tools for countries to recover criminally gained proceeds. In the search for information, the texts of these legislations, including the Arab Guiding Principles for Combating Corruption, did not define recovery.

Perhaps the Lebanese legislation No. 214 of 2021, concerning the recovery of funds resulting from corruption crimes, is the only Arab legislation that practically defines the recovery in Article 3, Paragraph 6 as "the final act in the series of actions to recover illegally appropriated funds, and moved outside the jurisdiction of the Lebanese state, the foreign country to which the funds were smuggled would return those funds to Lebanon, either through a judicial ruling, or a bilateral or multilateral agreement, or any other legally available means."

The concept of recovery or restitution or the recovery of criminal proceeds arising from corruption is a multi-step procedural process that begins with identifying the funds obtained from corruption, then tracing these funds and determining their location. The state would then work to prevent the disposal of those funds by demanding the freezing and temporarily restricting the holder's ability to withdraw, transfer, or convert them until a judicial decision is issued. Subsequently, the state would confiscate the funds—taking possession and transferring ownership to the rightful entity or legitimate owner. This could be the state itself if the funds were looted from the public treasury, or the persons legally owning these funds and properties<sup>13</sup>.

## 2.2 The Palestinian Definition of Recovery

Palestinian legislation related to anti-corruption and money laundering has not defined the term "recovery." There is no definition of recovery in the Anti-Corruption Law No. (1) of 2005, the Decree-Law No. (37) of 2018 regarding the amendment of the Anti-Corruption Law, and the Decree-Law No. (39) of 2022 regarding the Combat of Money Laundering and Financing Terrorism.

Perhaps the only text that explicitly refers to recovery is Article (33) of the Anti-Corruption Law, which states, "Claims and penalties related to corruption crimes, as well as recovery and related compensation claims, shall not be subject to the statute of limitations."

The law does not mention extradition in the text of its article (33 bis) as one aspect of judicial cooperation; the text of the article states, "With due regard to the principle of reciprocity, and within the limits allowed by the applicable legislations, treaties, agreements, and relevant arrangements, judicial cooperation relations are established, especially with the states parties to the agreements in investigations, follow-up, and judicial procedures related to the crimes stipulated in this law...".

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12 Conference of the States Parties to the United Nations Convention against Corruption, Report of the Open-Ended Intergovernmental Working Group on Asset Recovery (collecting information on asset recovery operations at the international level, including challenges, good practices, and lessons learned), United Nations Document No. (CAC/COSP/WG.2/2022/3), September 2022, p. 4.

13 The United Nations Convention defined freezing and confiscation in its articles

e) The term "freezing" or "seizure" refers to the temporary prohibition on the transfer, alteration, disposal, or transfer of property, or the temporary assumption of custody or control over the property, based on an order issued by a court or other competent authority.

z) The term "confiscation," which includes expropriation where applicable, refers to the permanent deprivation of property by order of a court or other competent authority.

Then again, the Anti-Corruption Law used the phrase "restitution of embezzled funds," in its section related to penalties for the crime of corruption, as stated in Article 25 of the law: "... Unless otherwise provided in the applicable penal laws or any other applicable law, anyone convicted of a corruption crime shall be punished as follows..."

A. Anyone convicted of the crime of illicit enrichment or the crime of influence peddling shall be punished with imprisonment for three to fifteen years, a financial fine equivalent to the value of the money involved in the crime, and the restitution of the proceeds from the crime.

B. Anyone convicted of the crime of "abuse of power, accepting favoritism and nepotism that nullifies a right or establishes a false one, or failing to disclose or reveal investments, properties, or benefits that may lead to a conflict of interest if required by laws and regulations, and which would achieve a direct or indirect personal benefit for the one failing to disclose them, or obstructing the course of justice, shall be punished with imprisonment for one to three years, and a fine of no less than five hundred Jordanian dinars and only five thousand Jordanian dinars, and the restitution of the proceeds from the crime."

According to the provisions and definitions outlined in the United Nations Convention against Corruption, the Arab Convention against Corruption, and the African Convention against Corruption, recovery encompasses the full range of judicial and non-judicial administrative measures and procedures employed by a state to recover illegal proceeds obtained by perpetrators of corruption who have transferred these assets outside the state's territory. This applies regardless of whether the perpetrator is a citizen or a foreigner and is based on orders issued by the state's courts or administrative authorities, or upon special requests submitted to the state where the proceeds are located, under bilateral or multilateral international agreements.

In international charters, the term "recovery" refers to the actions of searching, investigating, tracking, and pursuing the proceeds of corruption crimes that have been smuggled abroad, with the goal of seizing, recovering, and returning them to their rightful owners. These owners may include the state and its institutions or victims of corruption crimes in the private sector to whom anti-corruption laws apply<sup>14</sup>. In the international legal context, the recovery process is a procedure that cannot be successfully completed without the intervention and cooperation of the authorities and judiciary of the foreign state or states that have sovereign and judicial jurisdiction over the location of the funds.

The term "recovery" refers to the state's restoration, through judicial or administrative procedures, of funds and proceeds derived from corruption crimes that were illicitly transferred out of the country. This process involves cooperation with one or more foreign countries where these funds have come under their jurisdiction and authority. This definition does not apply to funds and proceeds of corruption crimes collected within the state's own territory and jurisdiction. In such cases, the process is termed "return of funds," as the national authorities conduct it solely without the involvement of foreign entities.

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<sup>14</sup> For the definition of recovery, see:

- Mezer Mohammed Noman Al-Anbaki. "Recovery of funds obtained from corruption crimes in Jordanian and Iraqi legislation" (Master's thesis), Jordan: Faculty of Law - Middle East University, January 2023, p. 13 and beyond.
- Samia Beljraf. "Recovery of funds obtained from corruption crimes (challenges and mechanisms)," *Journal of Rights and Freedoms*, Issue 2, March 2016, Algeria: Faculty of Law, Biskra University, p. 411.
- A reliable Palestinian judicial source, who requested anonymity and is knowledgeable in his official capacity about the subject of recovery and the details of international cooperation in this field, held an extensive meeting on April 12, 2025.

From this standpoint, the recovery of funds is defined as the collection and return of assets to the state, based on its national legislation and the intervention of its administrative and judicial authorities. This applies to funds obtained by individuals through acts of corruption, provided these funds are within the state's territory and subject to the actions of its national and judicial authorities.

The recovery of funds mentioned in the reports of the Palestinian official authorities falls within an unclear and ambiguous scope. The reports do not clarify whether this process refers to the recovery of looted and smuggled criminal proceeds transferred to foreign countries, involving the intervention and participation of foreign authorities and entities, or whether it was carried out and achieved solely within the jurisdiction and administrative authority of the Palestinian authorities, concerning assets subject to Palestinian jurisdiction and independent of any role or intervention from foreign administrative or judicial entities.

A confirmation from a reliable judicial source interviewed supports the validity and accuracy of the observation regarding the lack of distinction in Palestinian reports between restitution and recovery, as these terms are used interchangeably. The source confirmed that all funds recovered because of anti-corruption measures—whether by the relevant authorities or based on judicial decisions—fall under the description of restitution because they were recovered through internal procedures and involve funds subject to Palestinian jurisdiction.

Therefore, it is essential to consider the Palestinian reports—whether issued by the Anti-Corruption Commission or the Public Prosecution—when addressing the recovery of the proceeds of corruption crimes. It is important to distinguish between restitution and recovery, and to classify and clarify what has been recovered from criminal proceeds arising from corruption. Restitution falls entirely under the intervention and jurisdiction of the Palestinian judiciary and administrative authorities, whereas recovery is based on cooperation between Palestinian authorities and foreign administrative and judicial entities.

### **2.3 Criminal proceeds subject to recovery and restitution under Palestinian legislation**

The Palestinian Anti-Corruption Law No. (1) of 2005, as amended by Decree-Law No. (37) of 2018, defines funds and properties as "assets of all kinds, whether tangible or intangible, movable or immovable, or legal documents that prove ownership of those assets or the rights associated with them." The law also defines the proceeds of corruption as "properties derived or obtained, directly or indirectly, from the commission of a crime."<sup>15</sup>

For greater precision, the law's definition should be rephrased to explicitly and clearly specify the nature of the crime, rather than leaving it vague. This approach aligns with the Arab Guiding Law for Combating Corruption, which, in its first article, defines the proceeds of corruption as "any properties derived or obtained, directly or indirectly, from the commission of any acts of corruption criminalized by law.

Article 1 of the Palestinian Money Laundering Law No. (39) of 2022 defines the terms "money, property, and assets as assets of any kind, including economic resources such as oil and other natural resources, and property of all kinds—whether tangible or intangible, movable or immovable—regardless of the method by which they were obtained. This definition also includes virtual

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<sup>15</sup> On the concept of criminal proceeds, see:

Dr. Ali Hamza Asal. "A Legislative Vision on the Mechanism of Recovery of Looted Funds Arising from Corruption", *Al-Baheth Al-Arabi Magazine*, Published by the Arab Center for Legal and Judicial Research, League of Arab States, Vol. 2, No. 3, 2021, pp. 179 ff.

assets and legal documents or records in any form, including electronic or digital, that show ownership rights or shares in these funds or interests. It encompasses currencies in circulation, foreign currency, bank credits, traveler's checks, bank checks, payment orders, money orders, cash transfers, stocks and securities, bonds, bills of exchange, documentary credits, any interest, income, or share in profits, as well as any other income or value derived from such funds. It covers any other assets that may be used to obtain funds, goods, or services.

The law also defines criminal proceeds as "all property derived or obtained, directly or indirectly, from the commission of a predicate crime," while the same article defines a predicate crime as "any crime stipulated in the penal laws currently in force and any other law in effect within the State."

It is important to note that the International Convention against Corruption and the Arab Convention against Corruption define the proceeds of crime in two ways. The first is a general definition, which describes the proceeds of crime as the funds obtained because of committing any form of corruption. However, when defining these funds or proceeds for seizure, confiscation, restitution, and recovery, both conventions use a broader and more comprehensive definition. Specifically, Article 31 of the International Convention and Article 7 of the Arab Convention state that the funds subject to seizure, freezing, and recovery include not only the funds obtained from corruption but also the benefits, profits, gains, and returns generated by these funds.

According to these articles, the proceeds of corruption encompass all funds embezzled or gained through corrupt acts, as well as the income and returns derived from their investment and exploitation<sup>16</sup>. These returns may include financial benefits from investments such as deposits or profits from various commercial and investment activities, including real estate, commercial transactions, or other profit-generating ventures.

The focus and emphasis of international and regional anti-corruption agreements, as well as the United Nations Convention against Transnational Organized Crime, on confiscating assets obtained through corruption crimes—including the wealth and returns generated from them—is of paramount importance. This approach is a fundamental element in achieving deterrence in the fight against corruption. When perpetrators know that their properties, criminal proceeds, and any returns derived from them are not immune to seizure, it strengthens their conviction that engaging in such crimes is futile. This awareness may lead them to reconsider and abandon their intentions, plans, and efforts to enrich themselves by exploiting their positions and jobs.

To align the Palestinian Anti-Corruption Law with international anti-corruption conventions, it should adopt the approaches used in international and regional agreements to define the assets subject to confiscation and seizure. This definition should encompass not only the proceeds derived from corruption offenses but also all returns and profits generated from the investment and exploitation of those proceeds. Currently, penal legislation—including the Jordanian Penal Code of 1960, which remains in effect in the West Bank and provides the general framework for seizure and confiscation in corruption cases—defines confiscation of criminal proceeds under Article 30 as things obtained because of a felony or intentional misdemeanor.

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<sup>16</sup> Article 31, paragraph 6 states: "Revenues or other benefits derived from such proceeds of crime, or from property to which such proceeds have been transferred, exchanged, or mixed, shall also be subject to the measures referred to in this article, in the same manner and to the same extent as applicable to proceeds of crime."

The United Nations Convention against Transnational Organized Crime of 2000 also adopts this approach, as the text of Article 12, paragraph 5, of the Convention is repeated verbatim.

Confiscation under the Penal Code is limited to money directly obtained from criminal activity and does not extend to the returns generated from those proceeds. This limitation allows perpetrators of corruption crimes to keep all returns and profits derived from exploiting and investing the proceeds, effectively shielding these assets from confiscation. Such a gap clearly contradicts the fundamental aim of combating corruption and curbing its proliferation.

There is, however, a contradiction and inconsistency in the definitions of money or proceeds of crime related to corruption between the Anti-Corruption Law and Decree-Law No. (39) of 2022 on Combating Money Laundering and Terrorist Financing. The Palestinian anti-money laundering legislation adopts the approach and principles of the Anti-Corruption Convention and the United Nations Convention against Transnational Organized Crime regarding the definition of money subject to confiscation and seizure. This definition includes not only the proceeds arising from money laundering but also all income generated from or derived from these proceed<sup>17</sup>. This approach is logical and is a fundamental measure for deterring perpetrators of such crimes.

Some may argue that corruption offenses fall under money laundering laws, meaning that holders of illicit funds could be charged with money laundering. Confiscation would extend to the original illicit funds and any returns or profits generated from them. However, as evidenced by rulings from the Corruption Crimes Court, the court—while applying both the Anti-Corruption Law and the Money Laundering Law in corruption cases—consistently orders the return of the criminal proceeds but does not address the returns or any growth derived from those proceeds.

Therefore, to strengthen the fight against corruption, we recognize the importance of amending the Palestinian Anti-Corruption Law to expand its confiscation provisions. This amendment should include, besides the recovery and confiscation of the proceeds of crime, the confiscation of the returns and gains derived from those proceeds. Confiscating only the initial proceeds of corruption, without including the wealth or returns generated from them, has allowed many perpetrators in our Arab region to negotiate settlements and reconciliation agreements. These agreements often involve returning only the original funds obtained through corruption for the dismissal of criminal charges.

The proceeds from confiscated corruption crimes that are returned or recovered do not become public treasury property; instead, these funds must be managed under international and Arab conventions against corruption, based on four criteria:

- The return of assets confiscated by the state to their rightful owners, whether government entities or natural or legal persons who have been victims of corruption.
- In cases of embezzlement of public funds or laundering of embezzled public funds, confiscated properties must be returned to the state party claiming these funds, provided it has reasonably proven prior ownership of the confiscated properties.
- Using it to compensate the victims of the crime.
- Covering the expenses incurred by the state that carried out the confiscation procedure on behalf of another state; therefore, it may deduct the investigation costs and other related expenses it incurred for that purpose.

Based on this, to align the Palestinian Anti-Corruption Law with the international anti-corruption convention, the law must include a specific provision detailing how to manage funds and proceeds obtained from corruption crimes that have been confiscated and seized.

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<sup>17</sup> Article 47 of the law states: "1. In addition to the provisions of Articles 52 and 54 of this law, a confiscation order shall be issued for the following, whether in the possession of the accused or third parties:

A. Funds that constitute the proceeds of crime, including funds mixed with these proceeds, derived from them, or exchanged with them.  
B. Funds that constitute income or other benefits derived from these funds or the proceeds of crime..."

## 2.4 Mechanisms for Recovering Embezzled Funds and Criminal Proceeds of Corruption

Article 1 of the United Nations Convention against Corruption stipulates that the purposes of this Convention are:

- A. Promoting and strengthening measures aimed at preventing and combating corruption more efficiently and effectively.
- B. Promoting, facilitating, and supporting international cooperation and technical help in preventing and combating corruption, including asset recovery.

Article 3 of the agreement stipulates that the agreement applies, under its provisions, to the prevention of corruption, the investigation of corruption, and the prosecution of its perpetrators, as well as the freezing, confiscation, and return of proceeds derived from acts criminalized under this agreement. While Article 46 addresses mutual legal assistance; it obligates the contracting states to provide each other with the greatest possible amount of mutual legal assistance in investigations, prosecutions, and judicial proceedings related to the crimes covered by this agreement.

The agreement also stipulates that mutual legal assistance shall be provided to the fullest extent possible, under the laws of the requesting state party, its treaties, agreements, and relevant arrangements. This help pertains to investigations, prosecutions, and judicial proceedings related to crimes for which a legal entity may be held accountable, as outlined in Article 26 of this agreement, within the requesting state party. The third paragraph of Article 46 clarifies that requests for mutual legal assistance may be submitted for several, including:

- a. Obtaining evidence or statements from individuals.
- b. Serving court documents.
- c. Executing inspections, seizures, and freezing operations.
- d. Inspecting objects and locations.
- e. Providing information, materials, evidence, and expert evaluations.
- f. Providing originals or certified copies of relevant documents and records, including government, banking, financial, corporate, and commercial establishment records.
- g. Identifying criminal proceeds, property, instruments, or other items, or tracing them for evidentiary purposes.
- h. Facilitating the voluntary appearance of persons in the requesting state.
- i. Providing any other type of assistance that does not conflict with the domestic law of the requesting state party.
- j. Tracing the proceeds of crime under the provisions of Chapter Five of this Convention, freezing them, and tracing their origin.
- k. Recovering assets under the provisions of Chapter Five of this agreement.

While paragraph 8 of the aforementioned article emphasizes that contracting states may not refuse to provide mutual legal assistance under this article on the grounds of banking secrecy, paragraph 14 specifies that requests should be submitted in writing or, where possible, by any means capable of producing a written record, in a language acceptable to the contracting state receiving the request.

The agreement also specifies the essential elements that must be included in a request for mutual legal assistance, which are:

- a. The identity of the authority submitting the request.
- b. The subject and nature of the investigation, prosecution, or judicial proceeding to which the request pertains, as well as the name and functions of the authority investigating, prosecution, or conducting the judicial proceeding.

- c. A summary of the facts relevant to the subject, excluding requests made for serving judicial documents.
- d. A description of the assistance sought, including details of any specific procedures the requesting State Party wishes to follow.
- e. The identity of any concerned person, including their location and nationality, where applicable.
- f. The purpose for which the evidence, information, or measures are being requested.

Paragraph (21) of Article (46) permits the refusal of mutual legal assistance in the following cases:

If the request is not submitted under this article.

- b. If the requested state party believes that executing the request may affect its sovereignty, security, public order, or other vital interests.
- c. If the domestic law of the requesting state prohibits its authorities from taking the requested action concerning any similar offense, provided that the offense is subject to investigation, prosecution, or judicial proceedings within its jurisdiction.
- d. If complying with the request conflicts with the legal system of the requested State Party concerning mutual legal assistance.

Regarding recovery, the United Nations Convention addresses this procedure in its provisions (articles 51–59), emphasizing:

- a. Each State Party must take necessary measures to require financial institutions within its jurisdiction to verify the identity of customers and to conduct thorough examinations of accounts requested to be opened or already held by or on behalf of individuals entrusted with, or previously entrusted with, prominent public functions, their family members, or persons closely associated with them.
- b. States must take necessary measures to allow another State Party to file a civil lawsuit in its courts to establish rights in property gained through acts criminalized under this Convention. Courts or competent authorities should be permitted, when deciding on confiscation, to recognize the claim of another State Party to property gained through acts criminalized under this Convention, considering that State Party as the legitimate owner.
- d. States must take necessary measures to enable their competent authorities to enforce confiscation orders issued by courts in other State Parties.
- e. States must also take necessary measures to allow their competent authorities to freeze or seize property based on a freezing or seizure order issued by a court or competent authority in the requesting State, provided there is a reasonable basis for the receiving State to believe that sufficient grounds exist for such measures.

From this standpoint, according to the United Nations Convention against Corruption, countries can recover proceeds derived from corruption or money laundering offenses that have been transferred beyond their territorial sovereignty and jurisdiction through three mechanisms explicitly defined in the international convention:

#### **A. Recovery based on a final national judicial ruling**

This procedure is required under the International Anti-Corruption Convention.

1. The requesting state must submit a request for legal assistance to the state that has jurisdiction over the funds to be recovered.
2. Both the requesting state and the receiving state must be parties to the United Nations Convention against Corruption, under Article 51 of the Convention.

3. The request for legal assistance submitted by the requesting state must pertain only to funds obtained from corruption or related crimes, as defined by the United Nations Convention against Corruption.
4. Requests for legal assistance in recovering funds obtained through corruption crimes should be submitted to the competent central authority of the requesting state party; this authority is the entity designated by the state upon depositing its instrument of ratification of the Anti-Corruption Convention.
5. The state requesting the recovery of funds and the state receiving the request should have jurisdiction, each according to its role, in the recovery of funds based on Article 55 of the Anti-Corruption Convention.
6. A final and conclusive judgment must be issued; this judgment cannot be appealed and should order the courts of the requesting state to confiscate funds, convict the accused of a corruption crime, and mandate the confiscation of the funds subject to recovery after imposing the original penalty for that crime.
7. The judgment issued by the national court must be based on guarantees of a fair trial<sup>18</sup>, convicting the accused of the corruption crime and ordering the recovery of the proceeds arising from this crime, and requesting the state party to the United Nations Convention to assist in the judgment's enforcement.

## **B. Recovery based on a judicial ruling issued in a civil lawsuit**

Besides the recovery request arising from the judgment of national criminal courts, based on the Anti-Corruption Convention, countries can file a civil lawsuit by the state in the judiciary of the foreign state to recover funds obtained from the crime of corruption, based on civil liability, unjust enrichment, and illicit profit, dealing with the looted funds according to civil law<sup>19</sup>.

## **C. Recovery based on an administrative decision**

Countries can submit a request for administrative confiscation based on administrative orders; that is, a confiscation order arising from an administrative decision without a judicial conviction, through a decision issued by the competent executive authorities based on Article 31 of the United Nations Convention against Corruption. This procedure can only be applied under the convention in countries that adopt and accept this procedure<sup>20</sup>, as with some EU countries like Switzerland, Liechtenstein, and Ireland. Many other countries also adopt it, such as the United Kingdom, the United States, some provinces of Canada, and Australia.

Although administrative confiscation is based solely on an order or decision issued by administrative authorities without a judicial conviction, some may consider it a good means for quick intervention

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<sup>18</sup> Regarding the concept of a fair trial, see:

- Consultant Dr. Khairy Ahmed El-Kabash. "The Criminal Protection of Human Rights—A Comparative Study," a doctoral dissertation presented at the Faculty of Law, University of Alexandria, on 30/8/2001, printed and published in 2002, p. 601.
- A United Nations study indicated that 12% of the recovered looted funds were achieved as a result of confiscation orders following conviction judgments.
- United Nations. Gathering information on asset recovery operations at the international level, including challenges and lessons learned, Document No. CAC/COSP/WG.2/2022/3, dated September 2, 2022, p. 12.
- Dr. Ahmed Fathy Sorour. The Constitutional Protection of Rights and Freedoms, Cairo: Dar Al-Shorouk, First Edition 1999, p. 638 and beyond.
- Proceedings of the Human Rights Committee, twenty-first session (1984), General Comment No. 13.

<sup>19</sup> Judge Mohamed Mahmoud Youssef. International cooperation in the context of recovering looted funds, Volume 2, Issue 3, October 2021, starting on pp. 258.

<sup>20</sup> Jean-Pierre Brun, Anastasia Sotiropoulou, Larissa Gray, Clive Scott, and Kevin Stevenson. 2021. Guide to Refunds, A Practical Guide for Practitioners, Second Edition, Washington, D.C.: World Bank: doi: 10.1696/978-1-4648-1616, p. 16.

- Mohammed Ali Al-Rikani. "The Legislative Framework for the Recovery of Embezzled Funds Due to Corruption," Al-Bahith Al-Arabi Journal, Volume 3, Issue 1, 2021, published by the Arab Center for Legal and Judicial Research, Arab League, p. 7 and ff.

Article (2), paragraph (z) of the United Nations Convention against Corruption states, "The term 'confiscation', which includes expropriation where applicable, means the permanent deprivation of property by an order issued by a court or other competent authority."

and the seizure and confiscation of criminal proceeds. It is a tool that may allow some countries, especially in non-democratic systems, to exploit these decisions and thus misuse them against their opponents. This could undermine individuals' trust in the law's enforcement and the state's adherence to the principle of legality<sup>21</sup>.

### 3. The reality and challenges of recovering looted or smuggled funds from Palestine

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According to a reliable judicial source, to this day, no request has been made to recover the funds looted from Palestine. The requests submitted by the State of Palestine have been limited to seeking cooperation and assistance in tracking or freezing funds suspected of being obtained through corruption or money laundering crimes. The source also indicated that most of these requests, if not all, had not achieved their purpose because of the absence of accurate information regarding the submitted cases.

Based on that, it is essential to review some of the Arab experiences in recovery to benefit from these experiences, whether in terms of successful models or in terms of the challenges and difficulties faced by these countries, which hindered the recovery of their looted funds.

It is evident from Arab experiences that some countries have succeeded in recovering part of their looted and embezzled funds. For instance, Libya recovered 550 million Swiss francs from Swiss banks based on a United Nations decision and approximately 1.055 billion dollars from the United Kingdom government<sup>22</sup>.

Furthermore, Tunisia recovered about US\$136 million of looted funds outside the country<sup>23</sup>. Algeria has also made progress through recovery measures, local procedures, and by seizing properties arising from corruption<sup>24</sup>, and Iraqi authorities responsible for recovery announced their success in recovering 18 million dollars.

The amount of funds that national courts have issued seizure orders for amounts to 2 billion dollars, along with amounts seized in foreign countries totaling 4 billion dollars<sup>25</sup>. The amount of funds that national courts have issued seizure orders for amounts to 2 billion dollars, along with amounts seized in foreign countries totaling 4 billion dollars. While Morocco, through settlements, was able to recover 200 million dollars of embezzled and smuggled funds abroad in 2024. Similarly, Egyptian efforts froze 1.3 billion dollars in foreign banks based on rulings issued by the Egyptian judiciary<sup>26</sup>.

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21 See the same source above, p. 14 ff. See also:

Dr. Alaa Al-Najjar Hassanein Ahmed. "The Legal Framework for the Recovery of Embezzled Funds, in Light of National Legislation and Regional and International Agreements," *Journal of South Valley University for Legal Studies*, Volume 6, Issue 6, Serial Number 2, Year 2021, pp. 77 ff.

22 Judge Mustafa Mohamed Said Mahmoud. "Experiences and Practices of Countries in Recovering Stolen Funds," *Al-Bahith Al-Arabi Journal*, Volume 2, Issue 3, 2021, published by the Arab Center for Legal and Judicial Research, League of Arab States, p. 231.

23 The United Nations. Gathering information on international asset recovery operations, including challenges and lessons learned, Document No. (3CAC/COSP/WG.2/2022/), dated September 2, 2022, p. 9.

Among the looted funds that Tunisia has recovered are a plane from Switzerland, a yacht from Italy, and another from Spain, as well as the recovery of 28,818,000 US dollars from a bank account opened in Lebanon.

Dr. Ali Abbas. "The Tunisian Experience in Recovering Embezzled Funds because of Corruption," *Al-Bahith Al-Arabi Journal*, Vol. 2, No. 3, October 2021, published by the Arab Center for Legal and Judicial Research, Arab League, p. 125.

24 <https://www.aps.dz/ar/algerie/154145-30>

25 <https://alssaa.com/post/show/6689>

26 <https://ar.le360.ma/economie/YERNTYLYPJEQXAAKPYVNRFAA4E>

Meanwhile, the Iraqi authorities responsible for recovery announced their success in recovering 18 million dollars<sup>27</sup>, and the amount of money on which national courts issued seizure orders reached 2 billion dollars, in addition to amounts seized in foreign countries worth 4 billion dollars<sup>28</sup>.

However, the efforts of those countries faced a significant number of challenges that prevented many of them from recovering most of their looted funds. By learning from the experiences of Arab countries, Palestinian institutions charged with the retrieval of embezzled funds can enhance their strategies and frameworks for recovering those stolen assets. This proactive approach aims to minimize potential setbacks and increase the likelihood of successfully reclaiming misappropriated funds.

### 3.1 General Challenges

Despite the Arab effort to recover looted funds, many Arab countries (Egypt, Libya, Tunisia, Iraq, Syria, Lebanon, and Algeria) have faced legal challenges in their pursuit of recovering the proceeds of corruption crimes located outside their jurisdiction, which may prevent them from retrieving these funds.

The most significant issues that have obstructed and prevented the recovery of looted Arab funds, aside from a small portion that has been retrieved, as indicated by published studies and research on this matter, are:

1. The lack of political will to pursue, prosecute, and hold accountable those who commit corruption crimes and embezzle public funds. Most political regimes in the Arab region have not pursued nor held accountable those who commit corruption crimes, especially influential individuals affiliated with the ruling government. As a group, these people have considerable power, which keeps them above the law and not subject to oversight and accountability.

The reason governments remain silent about holding those criminals accountable is because some of these influential individuals were themselves decision-makers who controlled the state's regulatory and legislative institutions, which granted them immunity and a safe environment to transfer and smuggle their proceeds and conceal and hide any evidence that might incriminate them. Some of them also used their political connections to facilitate the transfer and smuggling of these funds to countries that guarantee their protection from accountability and immunity from prosecution.

The perpetrators of corruption crimes are usually individuals affiliated with the existing political system and sometimes resort to threatening others within the system with documents, information, or evidence that could incriminate them in corruption cases.

Perhaps the most significant example of the absence of political will in pursuing and holding accountable perpetrators of corruption crimes is in the decision of Transparency International, dated January 28, 2025, to suspend Morocco's membership in the National Anti-Corruption Commission because of the government's lack of political will to combat corruption and its repression of constitutional oversight and integrity institutions, ignoring and undermining their reports<sup>29</sup>.

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27 Judge Mustafa Mohamed Said Mahmoud. "Experiences and Practices of Countries in Recovering Embezzled Funds," op. cit., p. 226.

28 <https://transparencymaroc.ma/ar/>

29 The National Authority for Integrity, Prevention and the Fight Against Corruption, Annual Report for the Year 2023, Kingdom of Morocco, p. 39. See also: <https://www.bbc.com/arabic/interactivity-60159106>

In its Corruption Perceptions Index issued in 2023, Transparency International also found that the reason for the general decline in the Arab region is the rise in political corruption, which undermined efforts to combat and address corruption. That rise in corruption is clearly reflected in the retreat of the region's governments from their commitments and their abandonment of their duty to combat it, as well as their disregard for various initiatives.

2. As for accountability and prosecution for major corruption crimes in the Arab region, governments in most Arab countries opened cases that moved to recover their embezzled funds after the fall of the ruling regimes. Some examples are Iraq, following the fall of President Saddam Hussein's regime; Tunisia, which began prosecuting those associated with President Ben Ali's regime; Egypt, through actions against those associated with President Mubarak's regime; Libya, by opening corruption files of those affiliated with President Muammar Gaddafi's regime; and Mauritania, against leaders in the former President Mohamed Walad Abdel Aziz's regime.

Therefore, the move to recover the funds, proceeds, and gains obtained by the influential figures of the previous regimes faced significant obstacles because of the lack of information about the size and value of these funds, the means with which they were obtained, and their location, as well as the absence of evidence and supporting documents to prove that they acquired these funds through fraudulent practices. Those problems were somewhat expected because these individuals control the media and judiciary and decision-making and legislate, decide, and act on behalf of the state's institutions and public funds.

One significant legal challenge faced by the Egyptians in recovering the proceeds of influence peddling and illicit gains was pursuing President Mubarak's sons who illegally amassed their wealth under a legislative system dominated by the ruling National Party, which also censors and controls the media and manipulates<sup>30</sup> dissemination of information .

3. Arab regimes use anti-corruption regulations in a way that serves their political structure and not as an approach to combating corruption or their belief in that principle. Many regimes in the Arab region have used anti-corruption guidelines as a tool to prosecute political opponents, exclude them, and isolate them, or to purge the government's centers of administration from opponents of the ruling regime's policies.

Moreover, many Western countries are noted for their silence, indirectly or directly condoning the corruption of Arab political systems, which serve their economic or political interests, or because their political system is connected with the perpetrators of the crime of corruption, or because they share political interests<sup>31</sup>. These countries have not acted against the flow of illegal funds deposited in their banks, nor have they scrutinized transactions and properties acquired in their territories by foreign officials.

4. The verdicts issued by the national judiciary acquitted many influential figures in corruption cases or simply penalized them with fines that were not commensurate with the seriousness of their crime and the illicit gains they obtained. One example is the case of the officials in the former Egyptian president's regime and other affiliated figures, which included the Minister of Interior, the Minister of Tourism, the Speaker of the People's Assembly, and the former Minister of Information.

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30 Osama Diab. Will We Recover Our Looted Money? Egypt's Smuggled Assets Between Reconciliation Deals, Acquittal Verdicts, and Institutional Corruption, Cairo: Egyptian Initiative for Personal Rights Publications, First Edition, March 2013, pp. 22 and 23.

31 Transparency International. "Asset Recovery is a Problem of Scope and Dimension", February 2022, p. 5.

The decisions of the Egyptian National Judiciary to acquit the offenders of charges of corruption and graft, and not even penalize them with fines, without confiscating or recovering their criminal proceeds<sup>32</sup>, or protecting the funds and assets those people smuggled out of the country, averting their confiscation, prevented the recovery of looted funds. This is partially because it is not possible to demand the recovery of funds, assets, and proceeds that the state claims to be looted when the national judiciary has issued rulings acquitting the holders of these funds from corruption charges, which means foreign countries would reject any request for the return of smuggled funds.

This was confirmed by the Swiss Foreign Ministry official Valentin Zellweger, who said that acquittals in Egyptian courts could lead to lifting the freeze on illicit funds<sup>33</sup>.

5. The lack of accurate sources of information in most Arab countries, including Palestine, about the size of the looted funds and the place where they were laundered or invested, prevented their tracking and recovery. This is because pursuing and investigating these illicit funds came many years after the commission of the crime. Most of those crimes were committed by people who, at the time, had power within the ruling governments and used their influence to hide any evidence or proof of their corruption<sup>34</sup>.

6. The perpetrators of corruption crimes are very skilled at hiding their criminal proceeds because they know well the places that are considered safe havens. They are very skilled at avoiding investing these funds in typical ways so they would remain concealed, which protects these perpetrators from being pursued and prosecuted. As a result, it becomes nearly impossible to access information about their assets and investments in the so-called tax haven countries or regimes that have become a destination for corruption criminals.

The international investigation known as the Pandora Papers revealed that around €370 billion in taxes were lost globally because of the smuggling of money to tax haven countries, according to the Tax Justice Network<sup>35</sup>.

7. The best model of a haven for tax evasion and concealing looted funds is Switzerland, where banking has been very emblematic since 1934. The country has been one of the largest, if not the largest, offshore financial centers and tax havens, with a long history of banking secrecy, security, and client confidentiality, which well serves corrupt heads of state and senior government officials in the countries of the world. Because of that, pursuing and determining the whereabouts of looted funds has become nearly impossible<sup>36</sup>.

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32 <https://www.elwatannews.com/news/details/773532> <https://www.alarabiya.net/articles/2012%2F06%2F05%2F218706>

33 Osama Diab, Will we recover our looted money?... , op. cit., p. 23.

34 United Nations. "Global Study on the Transfer of Funds of Illicit Origin, in Particular Funds Derived from Acts of Corruption", Document No. 12A/AC.261/, 28 November 2002, pp. 8 ff.

See also, on the challenges faced by States in recovery: Conference of the States Parties to the United Nations Convention against Corruption, Report of the Open-ended Intergovernmental Working Group on Asset Recovery, op. cit., pp. 16 ff.

35 The Pandora Papers are an investigation into the opaque foreign financial system that reveals the workings of a secret economy that benefits the wealthy and powerful at the expense of all. The Papers contain more than 11.9 million secret records obtained by the International Consortium of Investigative Journalists, and form the backbone of the investigation: <https://english.elpais.com/usa/2021-10-05/the-rotten-system-of-tax-havens.html>

36 Five of the G7 countries: the United States, the United Kingdom, Japan, Germany, and Italy, are responsible for hindering global progress against financial secrecy.

The Group of Seven industrialized nations is an intergovernmental political forum that includes Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States. The members of the group are considered the largest advanced economies in the world according to the International Monetary Fund:

<https://www.law.com/dailybusinessreview/2022/05/17/worlds-top-enabler-of-financial-secrecy-is-united-states/?sreturn=2025010573502>

### 3.2 Judicial and Legislative Challenges

One of the more difficult challenges that has hindered the recovery of looted funds in Arab countries is the problems within their legislative structures; add to that the differences in judicial procedures with the countries holding the embezzled funds. Perhaps the most important judicial and legislative challenges faced by Arab countries in this field are:

A. Challenges faced because of the lengthy duration of litigation procedures in many countries, where corruption cases remain open for several years. That long process has hindered the efforts and persistence of many countries in pursuing requests they had submitted for the seizure or freezing of looted funds. The Tunisian experience is a clear example of this; on January 19, 2011, the Swiss Federal Council issued a decision to freeze the financial assets of the former Tunisian president and his relatives according to the Swiss Federal Law on illicit assets. In January 2021, the administrative freeze on the embezzled funds was lifted after 10 years, which is the statute of limitations for the seizure of illegal funds<sup>37</sup>.

B. Challenges resulting from the inappropriate application of a country's civil law on the process of confiscation of illicit funds. For example, the British Embassy in Cairo addressed the official authorities, explaining that for the United Kingdom to execute the confiscation of anyone's funds, a conviction must have been issued against them for a crime that yielded financial gains. In the absence of a final conviction, it is possible to take the route of civil asset forfeiture, which requires submitting a request to the civil courts in Britain proving that the crime committed outside the United Kingdom is illegal according to the laws of that country and also illegal according to the laws of the United Kingdom<sup>38</sup>.

C. Weak or absent convincing evidence in the requests of countries. For instance, Sir Alistair Burt, former Minister of State for the Middle East at the Foreign and Commonwealth Office, in an official statement responding to criticism directed at him for failing to freeze the assets of the former Egyptian regime, said, "The legality of the process of recovering looted funds is an important issue. It is not possible for the United Kingdom to deprive anyone of their private property and return it to another country without a judicial ruling and a confiscation decision. The British government could not hasten the asset-freezing process because such decisions cannot be made based on mere speculation<sup>39</sup>."

D. Many countries do not recognize requests for seizure and confiscation based on an administrative decision without a judicial conviction and therefore refuse to cooperate with decisions based on that state's legislation, and consequently refuse to cooperate with such decisions due to their violation of their own local legislation.

E. The duality of criminalization; that is, the act attributed to corruption in the requesting state must also be a criminal act under the legislation of the state holding the asset.

Therefore, the requesting state must ensure that its criminal legislation is in harmony with the legislation of the state of request.

As for legislation, Palestine and Arab countries face many problems, part of which is their legislative systems that lack cohesive and comprehensive language for the requirements of international cooperation, tracking, and pursuing the recovery of proceeds arising from corruption crimes. Most Arab countries, including Palestine, have not enacted specific laws for asset recovery, their management, and disposal, nor implemented the mutual legal assistance law under Chapter Five of the United Nations Convention provisions against corruption.

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37 Dr. Ali Abbas, *The Tunisian Experience in Recovering Looted Funds by Corruption*, op. cit., p. 125.

38 Osama Diab, *Will we recover our looted money?* op. cit., p. 18.

39 Op. cit., p. 19

### 3.3 The Palestinian experience in recovering assets arising from corruption

It is clear from Public Prosecution reports over the past five years (2018-2023) that the amount of funds ordered for recovery in 2018 reached 36,702 US dollars, 1,306,702 shekels, and 10,025 Jordanian dinars, which collectively amount to nearly half a million US dollars. Additionally, the number of judicial assistance requests issued by the Public Prosecution in 2018 was 35 requests, including 9 requests to the Hashemite Kingdom of Jordan, 7 requests to Morocco, 4 requests to Turkey, 2 requests each to Egypt and China, and 1 request each to Lebanon, the United Arab Emirates, the United Kingdom, Norway, Denmark, the Netherlands, Finland, Italy, Germany, Russia, and Indonesia<sup>40</sup>.

In 2020, the total recovered funds amounted to 610,340,518,230 Israeli shekels, equivalent to 165 thousand US dollars, and 62.5 thousand Jordanian dinars, equivalent to \$90 thousand. The number of judicial cooperation requests issued by the Public Prosecution in 2020 reached 27 requests, including 21 requests related to electronic extortion, four requests concerning defamation and slander, one request regarding forgery, one request regarding an act contrary to public morals, and one request concerning the hacking of a bank account<sup>41</sup>.

The thirteenth report of the Public Prosecution issued in 2022 indicated that the State of Palestine submitted 38 legal assistance requests to 16 countries<sup>42</sup>, none of which were related to the recovery of funds or corruption assets or laundered money. Also, the outgoing judicial cooperation requests amounted to 38, of which 32 were related to cybercrimes, and six were related to crimes against individuals and property.

Data collected for a study conducted by a group of researchers and published by the Palestinian Anti-Corruption Commission found that the value of criminal proceeds and fines imposed by the judiciary on corruption crimes in Palestine until the end of 2018<sup>43</sup> amounted to approximately 235 million dollars. This included 86 million Jordanian dinars (equivalent to 130 million US dollars,) 52 million dollars, about 22 million shekels (approximately 6 million dollars,) 8 million Emirati dirhams (equivalent to 2.5 million dollars,) and 227 thousand Egyptian pounds (16 thousand dollars.)

Additionally, fines imposed on those convicted totaled close to 43 million dollars, 413 thousand Jordanian dinars (570 thousand dollars,) and 600 thousand shekels (170 thousand dollars<sup>44</sup>.)

It is worth noting the clear discrepancy between the data of the study related to the Jordanian dinar and the shekel, as mentioned in the 2019 Anti-Corruption Commission report. The report showed that the volume of criminal revenues adjudicated by the Palestinian judiciary by the end of 2018 amounted to approximately 96,117 Jordanian dinars, 52 million dollars, 24,903,752 shekels, 227,468 Egyptian pounds, and 8,864,341 Emirati dirhams<sup>45</sup>.

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40 The Public Prosecution of the State of Palestine, Tenth Annual Report, 2019, Ramallah, Palestine, p. 71.

41 The Public Prosecution of the State of Palestine, Eleventh Annual Report, 2020, Ramallah, Palestine, pp. 5658-.

42 The Public Prosecution of the State of Palestine, Thirteenth Annual Report, 2022, Ramallah, Palestine, p. 58.

These requests were distributed as follows: 11 requests to the Hashemite Kingdom of Jordan, 5 requests to the Arab Republic of Egypt, 5 requests to Turkey, 3 requests to the United Arab Emirates, 2 requests to the Kingdom of Saudi Arabia, 2 requests to the Federal Republic of Germany, 2 requests to Singapore, and 1 request each to Algeria, Iraq, Syria, Lebanon, Kuwait, Morocco, Russia, and the United Kingdom.

43 334 cases have been referred to the Anti-Corruption Court since its establishment in 2010, with 315 cases from the Anti-Corruption Prosecution and 19 cases referred from regular courts. The court has adjudicated approximately 227 cases from the beginning of its work until the end of 2023, while 107 cases were postponed to 2024. As for the rulings issued in the cases that have been concluded, 156 convictions were made, 47 acquittals were issued, and 21 cases were dismissed due to lack of jurisdiction, while three cases were closed due to death and previous dismissal. Anti-Corruption Commission, Annual Report 2023, p. 49.

44 Collective authorship, Combating Corruption: Challenges and Solutions, Ramallah, Palestine: Publications of the Anti-Corruption Commission, First Edition, February 2020, p. 58.

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The Palestinian Anti-Corruption Commission's report for the year 2020 shows that, between 2010 and the end of 2020, the Anti-Corruption Crimes Court has ruled on the following amounts adjudicated:

<b>Currency</b>	<b>Adjudicated amount</b>	<b>Recovered amount</b>
Jordanian dinar	96.129	70.325
American dollar	53.153.669	5.121.231
Israel shekel	25.383.342	3.707.527
Emeriti dirham	8.864.342	Not recovered

Perhaps an interesting observation about this data is that the Anti-Corruption Commission is no longer reporting the amount of money adjudicated by the Anti-Corruption Court and the amount of recovered funds, as the reports for the years 2021, 2022, and 2023 had no information on this matter.

The Palestinian reports about the same subject did not address the confiscations that were made by administrative decision and not the extent of these confiscations, nor whether there are Palestinian requests for the recovery and restitution of looted funds that were smuggled abroad. In its issued reports, the Palestinian Authority does not mention cases that were resolved with reconciliation and settlement with individuals accused of corruption crimes.

The work of the Anti-Corruption Court shows that, since its establishment in 2010 until the end of 2023, it has reviewed 334 cases, including 315 cases referred by the Anti-Corruption Prosecution and nine cases referred by regular courts. The court issued 156 convictions and 47 acquittals, while 21 cases were dismissed because they were outside its jurisdiction. Three cases were closed, one due to the defendant's death and two because they had been previously reviewed. Additionally, 107 cases were postponed to the following year<sup>46</sup>.

It should be noted that in the reports and other papers and studies about looted funds issued by the authority, there is very little information related to the looted Palestinian funds, as well as the fate of the funds that were recovered from individuals or institutions that were appropriated by private parties, or were laundered through some suspects outside the judicial framework.

It is evident that proving the crime of corruption is difficult due to a lack of evidence, as indicated by the fact that 25% of the cases adjudicated by corruption courts ended in acquittal. This is despite the fact that referral of cases from the Corruption Prosecution to the court implies a level of confirmation and certainty regarding the commission of the corruption offense.

The weakness and low value of recovered funds, compared to the amounts ruled by the courts, point to a gap in the ability to retrieve and return these sums. Executive authorities have only managed to recover 10% of the amounts ruled in US dollars, and 3% of those in Israeli shekels, while none of the judgments in UAE dirhams have been recovered. In contrast, around 65% of the amounts ruled in Jordanian dinars have been recovered. This indicates a difficulty in enforcing judicial rulings issued by the Corruption Crimes Court.

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46 The Palestinian Anti-Corruption Commission report for the year 2020, Ramallah, Palestine, p. 50.

However, based on conclusions from interviews, it is clear that Palestine has a problem recovering looted funds, and that is because countries holding the looted funds were uncooperative or the difficulty and complexity of the procedures related to opening recovery files, besides the requirement by many countries to conclude bilateral cooperation agreements and request special assistance for each case, which means the difficulty and complexity of this procedure.

### **3.4 Requirements to Enhance the Integrity and Effectiveness of Asset Recovery Operations**

Although Palestine has not raised the problem of asset recovery to the same extent as it has been in other Arab countries (Egypt, Lebanon, Syria, Iraq, Tunisia, Libya,) and because of the current Palestinian political conditions, there are funds obtained through corruption and smuggled abroad. The future may reveal cases that necessitate serious action to recover the criminal proceeds arising from corruption. This underscores the need and importance for Palestine to build a system

that reflects upon the challenges faced by Arab countries and takes them into account, be those in their efforts to recover their looted funds in the Northern countries or in other parts of the world.

In order to enhance the effectiveness and integrity of the process of recovering criminal proceeds attained through corruption, Palestine needs to complete the legislative, institutional, and administrative framework related to combating corruption, which includes:

1. Forming specific Palestinian legislation for the recovery of corruption proceeds and laundered money that takes into account the definition of criminal proceeds arising from corruption, including the attained funds and their recovery, and clarifying the process of handling and managing the confiscated funds.
2. Establishing specific legislation for mutual legal assistance that aligns with Chapter Five of the United Nations Convention against Corruption.
3. Improving bilateral agreements on international cooperation in dealing with corruption and money laundering crimes. Although the Palestinian Financial Follow-up Unit has signed five bilateral cooperation agreements with Jordan, Tunisia, Sudan, Morocco, and Russia<sup>47</sup>, it is still important to expand these agreements to include Northern countries (the European Union), specifically those that give safe haven and protected investment environment for perpetrators of corruption crimes.
4. Enforcing the Palestinian law on the right to access information, as it enhances transparency, and it may also strengthen community participation in exposing corruption crimes<sup>48</sup>.
5. Strengthening Palestinian cooperation with relevant regional and international bodies in recovering looted funds to benefit from their expertise in legal and advisory support, capacity building, and

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<sup>47</sup> The Financial Follow-up Unit was established by virtue of the Anti-Money Laundering and Terrorism Financing Law No. (20) of 2015 and its amendments, as an independent unit. The unit aims to combat the crime of money laundering and terrorism financing, protect the national economy from the negative impacts resulting from these two crimes, enhance the level of anti-money laundering and terrorism financing systems and procedures in Palestine, and activate local cooperation frameworks with all relevant authorities. The unit works to implement the objectives set by the National Committee for Combating Money Laundering and Terrorism Financing, which, in turn, outlines the policies aimed at combating these two crimes at both the local and international levels. The unit has concluded 12 memoranda of understanding: (6) memoranda with Arab countries, namely: Jordan, Morocco, Tunisia, Oman, Sudan, Qatar, and (3) memoranda with European countries not members of the European Union, namely: Russia, Azerbaijan, Turkey, and two in Asia with Indonesia and Taiwan, and Panama from Latin America.

The importance of these legislations was also emphasized by the team reviewing the implementation of the United Nations Convention against Corruption by the State of Palestine during the 12th session held in Vienna from June 14-18, 2021, United Nations document No. (CAC/COSP/IRG/II/2/1/Add.23), p. 10, ff.

<sup>48</sup> The importance of these legislations was also emphasized by the team reviewing the implementation of the United Nations Convention against Corruption by the State of Palestine during the 12th session held in Vienna from June 14-18, 2021, United Nations document No. (CAC/COSP/IRG/II/2/1/Add.23), p. 10 ff.

assistance in tracking and tracing looted funds, such as the STAR initiative (Stolen Asset Recovery Initiative) established in 2007 in partnership between the World Bank and the United Nations Office on Drugs and Crime, which has become a pivotal player in supporting requests for the recovery of looted funds, along with other various regional and international initiatives that enhance the efficiency and capability of Palestinian entities in dealing with this matter<sup>49</sup>.

### **3.5 Ways to Smuggle and Conceal Corruption Proceeds in Palestine**

Those who exploit their position or authority for corruption will not keep the money and gains they obtain in banks or money that is easy to trace and seize. Instead, they resort to a variety of methods to hide their proceeds, whether by smuggling them out of the country or by using local methods to launder these returns and disguise their source by establishing companies in the names of other people to manage their proceeds or by buying and owning properties, also in other people's names, and other methods that do not reveal the true owners of the money.

Even though there is no official information regarding the methods of money laundering and criminally obtained proceeds in Palestine, based on interviews conducted with a reliable judicial source, the methods of laundering and concealing the proceeds of corruption crimes can be identified as follows:

A. Smuggling in collaboration with individuals who have special privileges for crossing borders, or through some diplomats and diplomatic staff who abuse their privileges and facilitated movement by bringing large quantities of gold into Palestine, and also use their privileges to smuggle and transfer illicit money from Palestine abroad<sup>50</sup>.

B. Smuggling through individuals and networks that specialize in this work, meaning they operate to transfer money from Palestine to overseas and also transfer money from overseas to Palestine in exchange for large commissions, which could amount to as much as 20%.

B. Concealing funds obtained by purchasing land and property since buyers of real estate in Palestine are not asked about the source of the money they paid for the property. Consequently, the buyer possessing the funds engages in illicit methods to purchase property or land, then sells it and transfers the sale proceeds abroad by unlawful means (with diplomats or diplomatic staff, people with travel privileges, etc.,) or by legitimate means, justifying the ownership of the funds as lawful since they are the proceeds from the sale of a property or land they own.

C. An agreement is made between the holder of the illicit money and another person, who uses a bank check made out for a large amount to the holder of the illegal funds in exchange for a commission fee. With agreement and coordination, the holder of the illicit money submits a request to the court for execution and payment of the value of the check. Then the person who issued the check deposits an amount of the same value, which was originally obtained from the holder of the illicit money, into the court's fund, which in turn hands it over to the check holder, proving with official documents that the check holder obtained this money legally.

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49 Regarding international and regional initiatives, see:

Judge Mustafa Mohamed Said Mahmoud. "Experiences and Practices of Countries in Recovering Looted Funds," previous source, p. 211 ff.

50 <https://arij.net/investigations/gold-smuggling>

D. Trading and purchasing digital currency via brokers and intermediaries in the State of Israel and in Palestine, even though Palestinian law prohibits the use of digital currencies. The intermediary buys these currencies for the holder of illicit funds and then sells them in countries that permit the use of digital currencies.

E. Transferring and smuggling money through intermediaries in the Israeli occupation state, that is, through entities and individuals that are not subject to the oversight of the Palestinian Authority, which is unable to monitor and track these illicit funds.

Clearly, smuggling abroad does not get done by legitimate means—through banks and licensed and approved transfer methods. The corrupt individuals are aware of the possibility and ease of tracking such actions, so they do it through diplomatic and official carriers and intermediaries who engage in these activities in return for certain commission percentages.

## 4. Cooperation between Palestine and Northern countries in combating corruption

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The European Council adopted the Criminal Law Convention on Corruption No. 173 on January 27, 1999, and its Additional Protocol No. 191 in 2003, which serve as the foundation and European legal reference for criminalizing a range of acts such as bribery of public officials, whether local or foreign, members of national assemblies (parliament), judges, bribery in the private sector, trading in influence, money laundering, and bookkeeping crimes.

Article 23 of this agreement stipulates that the parties must take necessary legislative and non-legislative measures to investigate, uncover, seize, and confiscate the tools and proceeds of corruption crimes. Paragraph three of the same article emphasizes that banking secrecy should not prevent countries from implementing the measures established by this agreement, while Article 26 also indorses international cooperation among the parties to the agreement who cannot be refused based on banking secrecy.

Alongside this agreement, the Civil Convention on Corruption No. (174) was adopted on November 4, 1999, which stipulates compensation for victims of corruption crimes based on civil legislation. It also provided for international cooperation with other countries in serving documents, obtaining evidence, or recognizing foreign judgments.

The European Council also established the "Group of States against Corruption" in 1999 to strengthen the capacities of its members in preventing and combating corruption. It currently includes 50 member states, 48 of which are European countries, in addition to Kazakhstan and the United States. Any non-European country can join this group by notifying the Secretary General of the European Council. On May 3, 2023, the Commission and the High Representative adopted the establishment of the European Union Anti-Corruption Network, which aims to boost European efforts to prevent and combat corruption by creating more effective policies.

The European Union is also currently engaged in discussions to establish new and enhanced rules for criminalizing corruption, unify penalties across the EU, and proposing sanctions for the Common Foreign and Security Policy specifically targeting serious corruption worldwide, based on a zero-tolerance approach to corruption and boosting enforcement tools to combat it<sup>51</sup>.

The serious attention the European Union has been giving to combating corruption since 2022 is justified. Estimates indicate that corruption costs the EU between 179 billion euros and 990 billion euros annually<sup>52</sup>, which amounts to 6% of the GDP. Moreover, some countries, considering the financial facilities and banking secrecy legislations, have become sources of criminal proceeds and the flow of illicit funds<sup>53</sup>.

The EU also suffers from the impact of corruption in the Southern Mediterranean and Sub-Saharan African countries, wherein their negative effects have increased illegal immigration to its territories,

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51 [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_2516](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_2516)

52 [https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/democracy-eu-citizenship-anti-corruption/anti-corruption\\_en](https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/democracy-eu-citizenship-anti-corruption/anti-corruption_en)

53 The member states of the United Nations approved, in the 53rd session of the United Nations Statistical Commission in 2022, the conceptual framework for illicit financial flows, which are illicit financial flows in their origin, transfer, or use, and represent the exchange of value across national borders.

Their illegitimate origin means those funds arising from crime and corruption, or tax evasion, while the exchange of value means that these funds have crossed borders not only through financial transfers but also through the exchange of goods, services, financial, and non-financial assets. Examples include cross-border wealth transfers, tax evasion, invoice manipulation, debt conversion, and asset transfer.

(Source: United Nations Conference on Trade and Development. Toward a Statistical Framework for Measuring Illicit Financial, Tax, and Trade Flows, Geneva: United Nations Publications, 2024, p. 8.

organized crime, and the Union's use as a haven for money laundering. Add to that the fact that corruption funds in the Southern Mediterranean regions are a waste and plunder of the aid and support funds provided to these countries by the North.

According to the evaluation of Transparency International, the European Union has not made the necessary effort to combat cross-border corruption<sup>54</sup>, nor has it intervened adequately to address European companies involved in corruption by bribing officials. In fact, 35% of companies see corruption as a problem when doing business<sup>55</sup>, reinforcing the sentiment among more than half of the EU population that their countries have not intervened appropriately to combat corruption<sup>56</sup>.

The European Commission has also announced its intention to take decisive action to combat corruption in the European Union and around the world by updating the current legal framework for combating and raising awareness about corruption and ensuring accountability in the public sector according to the highest standards. In addition, it will impose an obligation on member states to adopt effective rules regarding open access to information for the public, as well as disclosure and management of conflicts of interest in the public sector, and disclosure and verification of assets of public officials. It will also regulate interaction between the private and public sectors and establish specialized anti-corruption bodies while ensuring adequate resources and training for authorities responsible for preventing and combating corruption.

The EU is now implementing a single law and penalties for all corruption crimes, unifying the definitions of criminal offenses pursued as corruption. It will include not only bribery but also embezzlement, influence peddling, abuse of office, as well as obstruction of justice and illicit enrichment related to corruption crimes, thereby encompassing all offenses stipulated in the United Nations Convention against Corruption as crimes under European Union law<sup>57</sup>.

European Union countries, especially Switzerland, France, and the United Kingdom before it exited the Union, have been a key destinations for the flow of looted funds. The amount of plundered and hidden Arab funds in Swiss banks alone was estimated to be around 200 billion dollars<sup>58</sup>. Meanwhile, some reliable sources indicated that more than 30 percent of the fortunes owned by wealthy families in Morocco are primarily in private accounts in Swiss and British banks, placing Morocco in second place in North Africa after Tunisia in terms of migration of funds.

The situation is not better in Arab countries. Many of them face significant challenges in recovering looted funds from the European Union. A study conducted by a consulting firm on global financial wealth in 2012 indicated that Morocco ranks high among Arab countries, following Kuwait, the UAE, Bahrain, and Lebanon<sup>59</sup>, where much of looted funds for some wealthy individuals are deposited in European banks.

The volume of looted funds smuggled into the European Union, and the difficulties and challenges faced by Arab countries in recovering these funds (Egypt, Tunisia, Libya, Iraq, Algeria) certainly underscores the importance of cooperation and joint efforts between EU countries and Eastern Mediterranean countries in combating corruption and the flow of illicit funds from south to north.

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54 <https://www.transparency.org/en/news/will-the-eu-raise-anti-corruption-standards>

55 [https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/democracy-eu-citizenship-anti-corruption/anti-corruption\\_en](https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/democracy-eu-citizenship-anti-corruption/anti-corruption_en)

56 [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_2516](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_2516)

57 [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_2516](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_2516)

58 <https://www.noonpost.com/35348/>

59 <https://www.alarabiya.net/articles/2012%2F06%2F17%2F221080>

Perhaps the most important policies that need to be adopted in order to initiate the role of Northern countries in combating corruption in Southern countries, including Palestine, are:

1. Completing an agreement between Northern and Southern countries to establish a special body for mutual assistance and judicial cooperation in investigations, information and exchange of expertise, and providing legal support in combating corruption and money laundering.
2. Establishing a special agreement to adopt a legal system and a unified framework based on international standards regarding rules for seizure, confiscation, and recovery of embezzled and looted funds, as well as ways to manage and dispose of them.
3. Establishing a technical office representing the North and South to provide legal and technical support to countries in the areas of prosecution, investigation, and recovery.
4. Establishing a binding legal framework to enhance the role of companies and banks in fulfilling their responsibilities in combating money laundering, corruption, and addressing illicit flows.

## 5. Conclusion and Recommendations

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The current efforts to combat corruption and money laundering seem to be flawed in the legislative structure in most Arab countries, which has created an obstacle to the pursuit of perpetrators of corruption crimes and has fortified their impunity, which has effectively given these criminals immunity from accountability and punishment, allowing them to retain what they sought to illicitly acquire and possess in terms of wealth.

Therefore, it is necessary for Palestine to strengthen its legal structure to boost accountability and prosecution laws to combat corruption and money laundering, which can be done by completing the existing legislative framework with a firmer set of laws, the most important of which are:

1. Forming specific Palestinian legislation for the recovery of proceeds from corruption and money laundering that takes into account the definition of criminal proceeds arising from corruption, which would include the moneys obtained and the returns on these funds, and would clarify the procedures and rules for recovering these funds and organizing the mechanisms and controls for confiscation, as well as how to handle and manage the confiscated funds.
2. Establishing specific Palestinian legislation for mutual legal assistance that aligns with Chapter Five of the United Nations Convention against Corruption, to enhance and empower Arab countries to use this mechanism in recovering their embezzled funds.
3. Activating the Palestinian law for the right to access information, as it boosts transparency and may also improve community participation in uncovering corruption crimes and the prosecution of their perpetrators, which will strengthen accountability.
4. Enhancing Palestinian cooperation with relevant international and regional bodies in the recovery of looted funds to benefit from their experiences for legal and advisory support, and for building capacity and giving assistance in tracking and tracing looted funds.
5. Adopting and implementing the Financial Action Task Force (FATF) recommendations for the forty policies on money laundering (1990).
6. The need to strengthen the independence of integrity and anti-corruption groups so they become

independent legal entities not subject to the influence and authority of the executive branch. That would ensure their independence when making decisions and give them power to investigate corruption, especially since their subordination to the executive branch has turned most Arab anti-corruption organizations into ineffective, nominally formal entities with no authority or power to confront major and political corruption in our Arab region<sup>60</sup>.

7. The need for Palestinian Anti-Corruption Commission reports to include an item listing the amounts of illicit funds obtained from corruption and the amount of recovered funds. But if recovery failed, then the reports must detail the challenges that were faced and the reasons for the failure. It should also include the number of judicial rulings issued by the Anti-Corruption Court, the extent of their implementation, and if no implementation was accomplished, then the reasons for that failure.

8. Palestinian civil society organizations must issue reports parallel to the annual reports of integrity and anti-corruption bodies and activating Palestinian public opinion to involve people in identifying shortcomings, deficiencies, or the lack of information on corruption and the fight against it, which could generate a public opinion that pushes for anti-corruption efforts and holds perpetrators accountable.

9. Finally, in order to enhance Palestine's capabilities and chances for recovering looted and smuggled funds, it is important to implement the recommendations of the International Conference on the Recovery of Stolen Assets held in Baghdad on September 15-16, 2021, which recommends:

1. Completing the legislative framework, especially laws related to the confiscation and recovery of proceeds from corruption crimes and how to manage them.
2. Enacting a law on mutual legal assistance in Palestine.
3. Seeking assistance from international research institutions concerned with the recovery of stolen assets, as well as international research organizations and legal offices to obtain technical support in this field.
4. Working to enhance administrative confiscation and implement it under conditions that ensure justice and fairness, based on safeguards that prevent the misuse of this mechanism.
5. Making use of reconciliation mechanisms as a tool for recovering the proceeds of corruption crimes, whether located abroad or domestically. In this regard, countries can establish controls and guidelines that strengthen the guarantees of this mechanism achieving its purpose and ensure that it does not become a means of impunity or a way to shield perpetrators of such crimes.

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<sup>60</sup> Robert Michel, Omayma Shalabi, and Isaac Scheider, *Anti-corruption bodies and governance effectiveness in the Middle East and North Africa*, 2024, Middle East Council on International Affairs, 2024, p. 13.

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**AMAN was established in 2000 as a civil society organization that seeks to combat corruption and promote integrity, transparency and accountability in the Palestinian society. The Coalition was first formed by an initiative from a number of civil society organizations working in the field of democracy, human rights and good governance. In 2006, the Coalition was accredited as a national chapter for Transparency International.**

**AMAN is a Palestinian think tank and a specialized body providing knowledge on corruption at the local and regional level through producing specialized reports and studies. The periodic publications include: The annual Integrity and Anti-Corruption Report, the annual Palestinian Integrity Index and the National Integrity System studies and reports, in addition to the Coalition's continued contributions to produce reports and studies on the status of corruption in the Arab region.**

**As part of the global anti-corruption movement - and of international alliances and partnerships with relevant specialized coalitions and organizations - AMAN plays a key role in the transfer and contextualization of necessary international knowledge and tools to combat corruption in all sectors.**

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