

**United Nations**  
Office on Drugs and Crime

# The Role of Networks in Improving the Effectiveness of Asset Recovery

**Practice and Recent Case Examples in the Context of ARINSA**

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UNODC Regional Office for Southern Africa



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# PART 1: ARINSA AND ITS ROLE IN SOUTHERN AND EASTERN AFRICA

ARINSA is a professional and informal network of criminal justice practitioners aimed at strengthening cross-border cooperation and information exchange for the forfeiture and recovery of assets in the Southern and Eastern African regions.

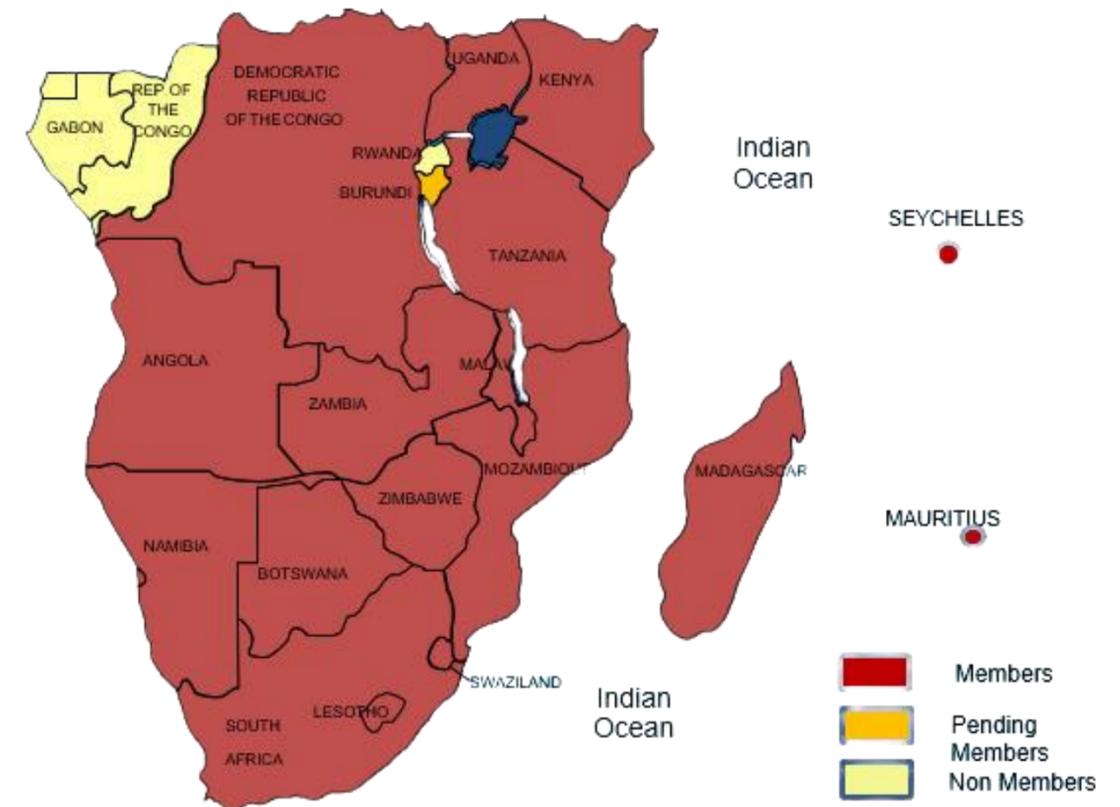


### The ARINSA Secretariat:

Supported jointly by the National Prosecution Authority of South Africa and the United Nations Office on Drugs and Crime (GPML).

### ARINSA's Mission:

The aim of ARINSA is to increase the effectiveness of members' efforts, individually and collectively, on a multi-agency basis, in depriving criminals of instrumentalities of crime and illicit profits.



# ARINSA CONTACT POINTS



- focus on the proceeds and instrumentalities of all crimes, within the scope of international obligations;
- establish itself as a Centre of Excellence on all aspects of tackling the instrumentalities and proceeds of crime;
- promote the exchange of information and good practice;
- establish a network of contact points;
- facilitate and promote, the establishment, where possible, of national centres of excellence in all aspects of tackling the proceeds of crime;
- make recommendations to other bodies such as the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG) and SADC, relating to all aspects of tackling the proceeds of crime;
- act as an advisory group to appropriate authorities;
- facilitate, where possible, training in all aspects of tackling the proceeds of crime;
- recognize the importance of cooperation with the private sector in achieving its aim;



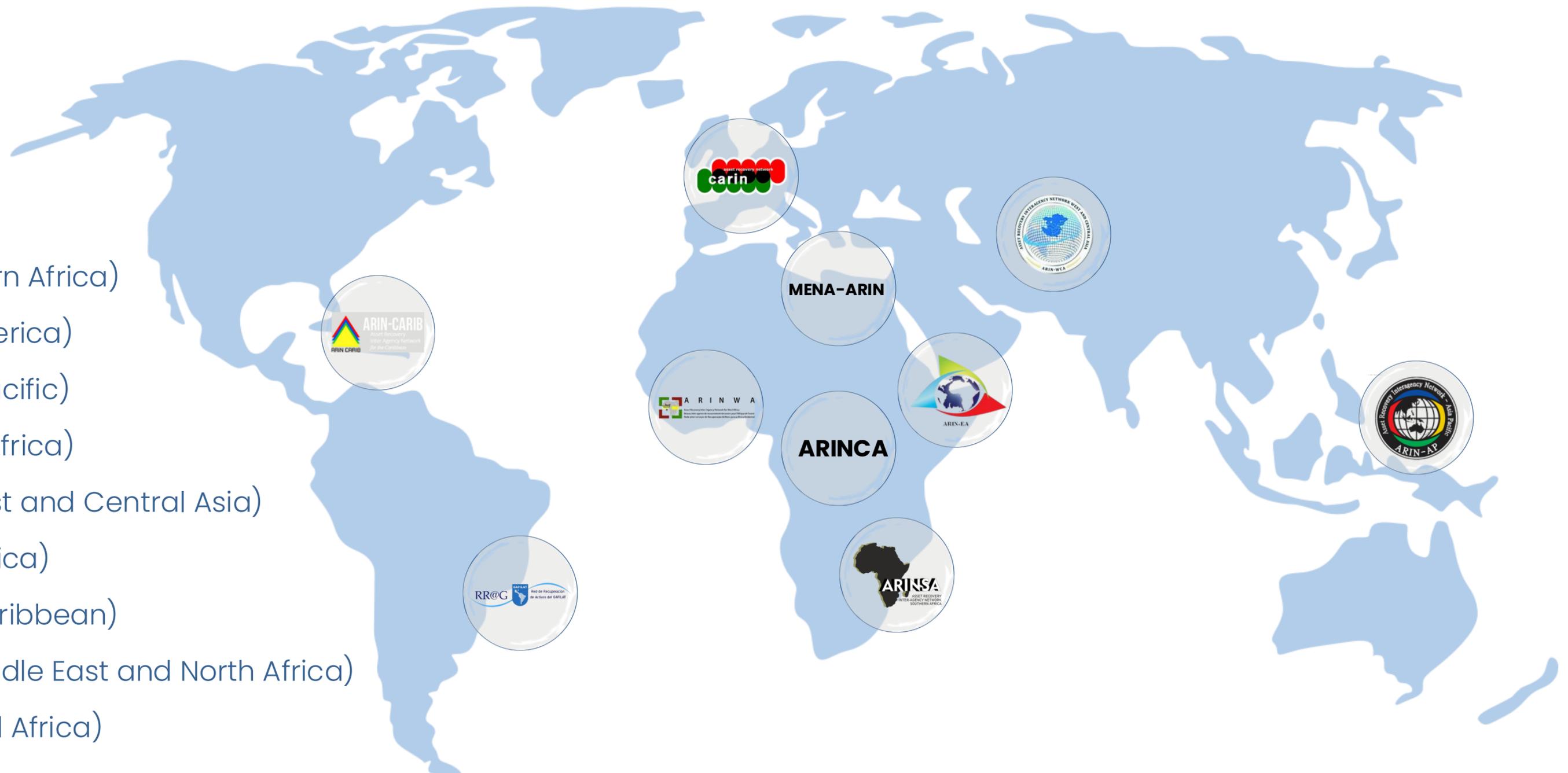
# ARINSA'S KEY OBJECTIVES



## PART 2:

# Overview of the Asset Recovery Inter-Agency Networks (ARINs)

- CARIN (Europe)
- ARINSA (Southern Africa)
- RRAG (Latin America)
- ARINAP (Asia-Pacific)
- ARINWA (West Africa)
- ARIN-WCA (West and Central Asia)
- ARINEA (East Africa)
- ARIN-CARIB (Caribbean)
- MENA-ARIN (Middle East and North Africa)
- ARINCA (Central Africa)



	ARINSA MEMBERS	VALUE OF NEW CASES WITH...		NEW MONEY LAUNDERING CASES	ARINSA MEMBERS WITH:		
		SEIZURES	FORFEITURES/ CONFISCATIONS		ASSET FORFEITURE UNITS (AFUS)	ASSET FORFEITURE FUNDS (AFFS)	ASSET MANAGEMENT OFFICES (AMOS)
2016	12	\$23.03M (Cumulative)		355	10	6	3
2017	13	\$76.12M (Cumulative)		600	10	6	4
2019	16	\$4.1B	\$4.76B	834	15	14	6
2020	17	\$8.34B	\$1.28B	1263	16	14	6
2021	17	\$194.95M	\$52.26M	87			
2022	17	\$1.58B	\$43.53M	728			
2023	17	\$459.03M	\$2.94B	1049			
2024	17	\$107.7M	\$114M	1847			

# Reinvesting Recovered Assets

2024

**\$163M**

2023

**\$102M**

2022

**\$1.21M**

**\$1.86M**

In 2024 alone, through ARINSA, 34 specialized capacity building and technical assistance activities on Asset Recovery and Combatting Money Laundering were conducted to support 10 Member States in Southern Africa.



Over the last 8 years, over 7000 professionals from all 17 Member Countries of ARINSA have benefitted from specialized training provided through the network with UNODC's support.



	TOTAL PARTICIPANTS
2016	326
2017	534
2018	203
2019	782
2020	1026
2021	980
2022	552
2023	111
2024	610
<b>TOTAL</b>	<b>7187</b>

**SNAPSHOT OF TOPICS COVERED IN 2024 ALONE**

- Financial Disruption
- Illicit Financial Flows in the Mineral Sector
- Virtual Assets
- Anti-Money Laundering
- Counter-Terrorism Financing
- Counter-Proliferation Financing
- Asset Recovery
- Asset Management
- Virtual Assets Transactions Tracing
- Trade-Based Money Laundering
- Inter-Agency Coordination
- Illicit Financial Flows in Illegal Trade



## PEER-TO-PEER SUPPORT

- Prosecutor Placement Programme
- Investigator Placement Programme
- FIU-FIU Placement Programme
- Asset Management Exchange Programme



Peer-to-peer support within the ARINSA network plays a crucial role in reducing dependence on external technical assistance, enhances south-south cooperation, fosters local ownership of initiatives, and strengthens trust between jurisdictions.

# ARINSA Information Exchange

Snapshot of 2023



**500**

REQUESTS RECEIVED  
FROM WITHIN ARINSA AND FROM OTHER NETWORKS  
AND JURISDICTIONS



**102**

REQUESTS MADE  
FROM WITHIN ARINSA AND TO OTHER NETWORKS AND  
JURISDICTIONS



**90**

ASSISTANCES PROVIDED TO ARINSA  
FROM WITHIN ARINSA AND FROM OTHER NETWORKS AND  
JURISDICTIONS



**315**

ASSISTANCES PROVIDED BY ARINSA  
FROM WITHIN ARINSA AND TO OTHER NETWORKS AND  
JURISDICTIONS



# ZAMBIA – ZIMBABWE – SOUTH AFRICA

# BusinessDay



**NEWS**

**Inflation cools to 13-month low at 6.3%**

The inflation rate eased further in May, reaching a 13-month low and moved closer to the upper limit of the Reserve Bank's 3%–6% target range, thanks to slowing food and transport prices. Stats SA says headline consumer inflation cooled for a second consecutive month in May to 6.3% from 6.8% in April. That is the lowest level since April 2022. *Page 1*

**Mining decision flawed, says court**

The high court in Pretoria has set aside the government's decision to withdraw a coal mining operation in Mpumalanga, due to failures related to environmental concerns. At the heart of the case, the court said, was the tension between saving coal, especially given the load-shedding situation, while ensuring that the land remained fertile. *Page 4*

**BUSINESS BRIEFS**

**Motus looks abroad as car prices surge**

Automotive group Motus Holdings is sharpening its focus on increasing contributions from international operators and its aftermarket parts business in a bid to reduce reliance on new vehicle sales with inflated rates being and the cost of owning a vehicle surging 48% since 2019. *Page 14*

**IHS hits back at MTN claims**

IHS Towers has hit back at MTN's claim that the Nigerian-based tower operator is blocking its bid to have a greater say how the business is run, saying that a proposed drawn up by the mobile operator is not in its best interests. *Page 10*

**SA worst in study of car affordability**

SA has the worst ratio of car prices to disposable income, according to a seven-country study by Compare the Market. Australia, it takes nearly eight years for the average South African to save for a Jeep Grand Cherokee 3.6 4x4 Limited compared with 0.8 of a year in the US. *Motor News Page 19 to 22*

## Steinhoff to dissolve as arrest warrant is issued for Jooste

*Katherine Child*  
South Correspondent

Steinhoff will be dissolved and its assets gradually sold off after a Dutch court approved its debt restructuring plan, including the sale of the retailer that survived for six years after being revealed as the site of SA's biggest fraud. Bloomberg also reported on

Wednesday that authorities in Germany, where Steinhoff has the primary listing, have issued an arrest warrant for former CEO Markus Jooste, who is alleged to be the mastermind behind the multibillion euro accounting fraud that shocked investors and public alike. Steinhoff, which once traded in Paris in Europe, Matteo

Firm in the US and Prolex in Rome, tends to report 420,256 of debt to have 30 and cannot do so because its assets are worth about 47%.

Under the court-approved restructuring process known as the WIKSA, Steinhoff will avoid being forced into bankruptcy and its assets sold in a fire sale. It will be delisted from the

ISE and Frankfurt stock exchange and transferred to a trust, where the company's lenders, mainly hedge funds, will extend debt due in June to 2026 and slowly sell off assets. Once a drafting of accounts, Steinhoff crashed 90% in December 2017 when auditors Deloitte refused to sign off its accounts as fraud was sus-

pected the stock was worth little at market close on Wednesday, an astounding destruction of value for the stock that peaked at 80% in 2016. Despite being signed in a Steinhoff commissioned investigation report by PwC in the summer before wide-scale fraud, Jooste has not been charged in SA.

Jooste was charged by UK-led prosecutors with the false representation of financial statements and encouraging managers to falsify accounts. Deloitte refused to sign off the Deloitte court report, but Jooste instructed managers on the absence of money such

*Continued on Page 2*

## Eskom grid company on track for launch this year

*Linda Ester*  
Pretoria Correspondent

Eskom is on track to spin off and put into operation its transmission company by the end of November as part of a sweeping overhaul of the cash-strapped power utility to improve its financial and operational performance.

The distribution and generation arms will be restructured into separate companies later. Eskom acting group CEO Cathi Cassim told members of parliament's standing committee on public accounts during an engagement at Eskom's head office at Margaret Park, that there are two vital remaining requirements for the transmission company to be listed.

The first is to get the transmission licence from the National Energy Regulator of SA (Nersa) which is expected at the end of July, and the second is to get the consent of lenders which will hopefully be achieved by the end of August. All creditors will be given approximately 60 days to raise questions.

Cassim said about R100m of Eskom's total debt of about R300m will be allocated to the transmission company, which will operate the national grid. "We do believe that the transmission business going forward will have a capital structure that is much more sustainable than what we have today, which is why we are doing this," she said.

"We do believe that the transmission business going forward from the transmission is enough to service the debt and to generate profits so we don't expect to renege on what is sitting in the consolidated balance sheet," Cassim said. "We do want transmission being sustainable on its own balance sheet going forward," she added.

The distribution company, which will supply electricity to consumers, will get about R300m of debt, while the generation company, which will run the power plants, will take most of the remaining debt. Cassim said Eskom's debt will be split according to where it was raised, with most of it going to the generation business.

Jooste's alleged debt will be split according to the capital expenditure that was incurred historically. Acting CFO Martin Ross added that the allocation of debt

*Continued on Page 2*

## Cross-border swoop nabs helicopters

SA, Zambia and Zimbabwe join forces on dirty money

*Erika Gibson*

In a rare show of cross-border co-operation, the Asset Forfeiture Unit (AFU) of the National Prosecuting Authority (NPA) together with its counterparts in Zambia and Zimbabwe, recovered and seized two helicopters bought in SA, with funds transferred from the Zambian government.

The helicopters, worth about R20m, were bought in 2019 after business Zambian lawyer Jeffrey Mubanga transferred R1m in Zambian state funds earmarked for the purchase of a property for Zambia's embassy in Turkey.

The prosecuting authorities of the three countries pulled off the cross-border asset seizure in four months in a collaborative effort.

The share of funds between the three countries is in line with SA's promised law enforcement improvements in international co-operation with its counterparties as set out in the NPA's most recent annual report.

SA was guided by the Financial Action Task Force

(FATF) in February for falling short of international standards for the combating of money-laundering and other serious financial crimes.

The recovery of the helicopters, as well as various vehicles and property belonging to Mubanga, as per the proceeds of crime, has been hailed in the Zambian media as one of the most successful cross-border investigations into state-sponsored corruption. The investigation was initiated by President Hakanda Hichime after he came to power in 2021.

According to a court application in the high court in Pretoria, Zambia approached the NPA in February to assist in the recovery of both aircraft as it was suspected that they were bought

from and subsequently "hidden" in SA. One of them, a Bell 410 is still registered on the SA Civil Aviation Authority's registry.

The court papers detail how both helicopters were bought after Mubanga transferred R1m to purchase a property for the Zambian embassy in Turkey, and transferred the money into the accounts of his own companies.

The two helicopters were registered in Gibson Private Systems Ltd and Gibson Property Development Ltd, of which Mubanga is the director and sole signatory.

Zambia's Drug Enforcement Commission's anti-corruption investigations unit seized the Gibson Royal Hotel in Kitwe in 2022 as well as other properties belonging to Mubanga.

Last month, the Zambian high court in Harare nullified a previous share-transfer order obtained from the high court in Pretoria as the one helicopter was used for flying tourism at the Victoria Falls in Zimbabwe.

The other helicopter is in custody at Lusaka Airport while a court date for the first

helicopter order is being awaited. According to the NPA, which the AFU falls under, that order should be granted within the next two months, after which the helicopters will be officially handed over to the Zambian authorities.

Zambia's air force pilots have already landed the other helicopter from Zimbabwe. Zimbabwe's opposition party, the United Party for National Development, won the elections in a landslide victory against the incumbent Zige Lungu.

Hichime's election campaign was based on his promise to end Zambia's growing institutional corruption.

Mubanga, a former Finance Freeport Finance Minister and former justice minister Chris Lebelo, were arrested in March 2022 within 48 hours in a spate of anti-corruption actions instigated by Hichime.

*Continued on Page 2*



**Sun worship** Visitors welcome the sun at Stonehenge on Wednesday in Witbank, England, in the northern hemisphere, the longest day of the year falls on June 21, which is often referred to as the summer solstice or Midsummer's Day. *Wolfram Wolke/Getty Images*

FT-JSE INDICES		BONDS/FORWARDS		CURRENCIES			COMMODITIES		
All Share 75,477.55	Top 40 70,242.55	R100 1.94	R200 1.05	R/Z 0.23	R/E 0.23	R/C 0.38	Gold 0.11	Platinum 1.41	Best Futures 1.92

# AFU freezes R18m fraudulently paid into SA bank accounts by Lesotho govt officials

🕒 25 Mar 2022

Marvin Charles

news24



**LESOTHO –  
SOUTH  
AFRICA**



An order has been granted to freeze more than R18 million fraudulently paid into South African bank accounts. (Getty)



# Conclusion

The Role of Networks  
in Improving the  
Effectiveness of Asset  
Recovery

1

Enhancing  
International  
Cooperation

2

Providing Specialized  
Capacity-Building  
and Technical  
Assistance

3

Strengthening  
Inter-Agency  
Coordination and  
Collaboration

4

Enhancing Anti-  
Money Laundering  
and Counter-  
Terrorism Financing  
Frameworks

# Thank you

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