

OPEN SOCIETY JUSTICE INITIATIVE

ANTICORRUPTION PROGRAM

PORTFOLIO REVIEW PRESENTATION MEMORANDUM

21 FEBRUARY 2014

INTRODUCTION

This memorandum sets out the context, program rationales, goals, achievements, lessons learned, and anticipated trajectory of future development for the Open Society Justice Initiative's anticorruption work, with an eye to reappraisal and, as appropriate, re-adjustment of our strategy and work methods.

The Justice Initiative has sought to change the perceived general impunity for crimes of high-level corruption perpetrated by (i) senior political officials and cronies in resource rich countries suffering from grievously unjust and ineffective governance; (ii) commercial actors, particularly multinational companies operating in extractive industries; and (iii) banks and other legal and financial intermediaries and service providers, all of whom collude in high-level bribery, money laundering and other corruption. The strategy over the years has been founded primarily on strategic litigation – an effort to bring directly (where “standing” permitted) or indirectly exemplary cases that would demonstrate that accountability for these kinds of crimes is possible, and that national level law enforcement with jurisdiction over such crimes has the duty and can muster the capacity to prosecute such conduct. Our cases, we hoped, would show the applicability of existing but perhaps untried legal remedies to acts of transnational corruption, and the possibility of developing new and effective remedies, where our experience revealed legal gaps. In the process, we believed that public and media interest in such cases would help broaden understanding as to the precise mechanisms used by individuals and institutions to perpetrate such corruption and to heighten public outrage at the social damage caused, contributing to development of popular constituencies and political will to support the prosecution of grand corruption.

From the beginning, we have broadly recognized the importance of developing supportive constituencies in order to make headway in tightening the global web of anticorruption accountability. We first conceived of this in terms of fostering and helping to build a political “environment” favorable to high-level anti-corruption cases. We were not so clear, however, on who these constituencies should be, and where, or how, they should act. Our experience, and limits in what our case-development has been able to achieve, have forcefully driven home to us the need for far more ambitious and more deeply informed efforts in the sphere that we now characterize as “supporting/building the field.”

At the same time, finally, we have also come to view the initial focus on “*natural resource*-related corruption” as somewhat artificial: while the bulk of our attention continues to be directed toward corruption associated with extractive industries, the same channels and mechanisms for managing illicit money flows are used by actors perpetrating a range of criminal acts, including other kinds of corruption, and, conversely, many of the same actors engage in different kinds of corruption and other criminal activity, precisely because the tools and skills needed so much overlap. We now propose the scope of the portfolio to cover high-level corruption, “particularly” (but not exclusively) with respect to natural resource extraction.

The team dedicated exclusively to this portfolio of work is small, having grown in about seven years from one to three members. At the same time, it draws on the resources of other Justice Initiative staff – including colleagues focused on litigation, advocacy, communications, research, African geographies and senior management – and other parts of OSF. The scope of activities, though ambitious, has been condensed and relatively simple: for most of the Program’s existence, the work comprised (i) developing cases and (ii) supporting and strengthening a political and cultural “environment” favorable to those litigations. At present, our work is divided into the concept “Grand Corruption Strategic Litigation”; and the fealty “Anticorruption – Building the Field,” which somewhat but not entirely correspond to the division between casework and other activities; both project lines are included within this “portfolio”. An ample representative sampling of the Program’s activities is set out in Annex I, with specific elements of the work listed according to the Program’s major tools: Litigation; Public Communications (reports and briefings); and [Direct] Advocacy.

A. AMBITIONS

In 2005 the Justice Initiative published *Legal Remedies for the Resource Curse*, an exploratory report that highlighted the “resource curse” phenomenon, and links between natural resource wealth in poor countries and high-level corruption that were often intertwined with stagnating economic development and poor governance, including often rampant human rights violations. *Legal Remedies* presented a “digest of practical experience in using law to combat corruption across jurisdictions.” Our review found that while some advances could be shown in civil society’s role in advancing accountability for human rights violations and environmental damage associated with extractive industries, “[t]o date....[l]egal responses to corrupt practice itself remain relatively rare, despite the fact that spoliation can occur independently of human rights or environmental abuse, and often underlies these broader problems where they occur.” The report concluded: “The establishment of a legal environment that renders the theft of public assets, bribery, and money laundering impossible, or at least unprofitable, would be a significant (if insufficient) step toward ending resource spoliation, and diminishing the human rights and environmental violations that accompany it.”

When the project – and then Program – was starting up in 2006-7, the aim was conceived as increasing global law enforcement’s (a) ability and (b) political will to bring accountability to perpetrators and facilitators of resource-related grand corruption. The exemplary use of strategic litigation was to be the main tool to help establish the kind of “legal environment” that the *Legal Remedies* report had called for. With numerous refinements and adjustments, our work and objectives have continued to reflect this bifurcated structure – developing and bringing cases and establishing the supportive “legal environment” for anticorruption cases, a pairing that, as noted, somewhat anticipates the current notions of CONCEPT and FEALTY .

Our strategies came to spell out these two mutually reinforcing elements of work as: (i) to demonstrate that cases targeting high-level resource-related corruption are practically feasible, indeed increasing in number, by actually “bringing” key model cases and disseminating the lessons learned, including development of new legal tools and new applications for existing legal tools; and (ii) to foster an enabling cultural and political environment, including political support where needed for prosecutors and courts, by showing the importance of accountability and deterrence in the fight against grand corruption through published materials, and by developing strong relationships focused on anticorruption accountability with other NGOs and with prosecutors.

As discussed below, the major shift in our thinking, as informed by our experience and the input of colleagues within and outside of OSF, has been an increased emphasis on what we had placed under the rubric of “environment.” Our

earlier “environment” notion had seen that area of work as subordinate and somewhat ancillary to the core focus on case development: fostering an enabling environment was driven by the felt need to enhance public support, whether for our cases, or those brought by authorities without civil society collaboration, most typically in the “litigation” jurisdiction. More recently, we have come increasingly to recognize the equal need to link up our litigation and related activities to actors in communities affected by the corruption in the places from which the cases arise. (Our cases have mainly arisen from sub-Saharan African countries, including Equatorial Guinea (EG), the Democratic Republic of the Congo (DRC), and Angola, though we are now also developing collaboration with partners in Ukraine, and we have started discussions about similar opportunities with the Central Eurasia Program. Our cases have generally been brought in developed country financial centers.) A large portion of our planned work in 2014 will be devoted to reaching out to and building multi-dimensional relationships with OSF colleagues in the African foundations and their partners.

B. OUR PLACE IN THE FIELD

1. Macro View

The field (in the sense of groups focusing on anticorruption) has grown substantially from when we began in earnest in 2007. There were a number of groups focused on transparency and related structural reforms (many launched and/or supported by OSF), particularly Revenue Watch Institute, Extractive Industries Transparency Initiative (EITI), Publish What You Pay (PWYP), and Transparency International (TI). A few international groups such as Global Witness, Rights and Accountability in Development (RAID), and Human Rights Watch, did vivid and groundbreaking work exposing systematic resource-related corruption and its baleful consequences upon populations.

In the sphere of accountability for human rights and similar violations, there were a number of active organizations. Two of the more prominent ones focused on legal accountability for human rights violations and sometimes environmental violations were (and are) the US-based Center for Constitutional Rights and Center for Justice and Accountability; EarthRights International and sometimes Greenpeace have litigated on issues raising both human rights and environmental abuses; our Spanish partner *Asociación pro Derechos Humanos de España* (APDHE) (operating on the then strong Spanish legal platform for universal jurisdiction) and the French Association Sherpa (particularly focusing on corporate malfeasance) were (and are) groups operating similarly in Europe. In Switzerland, more recently, TRIAL has specialized in filing complaints regarding international crimes in Swiss courts. As had been noted in the *Legal Remedies* book, corruption was not infrequently an element in many of the cases brought by these groups.

Limiting the focus to accountability specifically for grand corruption narrows the field substantially, a fact that is as true now as it was at our work’s inception. (See discussion immediately below regarding SERAP and SHERPA, the major other players in “our” field besides the Justice Initiative and its partner APDHE.)

2. Micro View

The Socio-Economic Rights Action Project (SERAP) in Nigeria has for many years been engaged in a closely allied area to that of our Program. SERAP has generated some very important cases in both the African Commission on Human and Peoples’ Rights (ACHPR) and in the court of the Economic Community of West African States (ECOWAS). SERAP has, however, as its name indicates, concentrated on cases seeking to vindicate economic and social rights, mostly in the regional fora. Given, particularly, the environment they operate in, though, corruption has

been an important element in several of their cases (for example, an ECOWAS court decision finding the Nigerian state in violation of obligations regarding right to education because education budget funds were embezzled and not restored).

Though not exclusively focused on corruption, Association Sherpa's particular concern with corporate crimes (often involving corruption) makes it the group that to our knowledge has most closely developed along the lines we seek to develop. Serving as legal counsel to TI France (which acts as *partie civile* / civil complainant in the case), in 2008 Sherpa initiated its milestone "*biens mal acquis*" ("illicit enrichment") proceeding, targeting the ruling clans of Equatorial Guinea, Gabon and Congo Brazzaville. The Equatorial Guinea portion of the Sherpa case has, as it turned out, advanced most quickly and most publicly, and we have found numerous ways to join forces and link up our (and APDHE's and EG Justice's) EG investigations and other activities with theirs; more recently we have also played an important role, coordinating with Sherpa, in facilitating what began as rather bumpy communications between French investigators and US DOJ investigators in the US asset forfeiture proceedings targeting corruption-derived assets in the US of Teodorin Nguema, the son of EG's President Teodoro Obiang. Unlike Sherpa (so far), our work has aspired, at least in principle, to global reach; Sherpa has largely restricted its activities to French fora and legal mechanisms, particularly the standing opportunities available under French law to crime victims through the civil law status of *partie civile*. (Sherpa's litigation has resulted in a remarkable expansion of the *partie civile* concept, which now encompasses judicial recognition of standing for anticorruption NGOs as *parties civiles* to initiate cases addressing grand corruption.)

In recent years we have observed increasing number of groups beginning to look more closely at the potential opportunities in seeking legal remedies (litigation) for grand corruption. Many activists have come to recognize that, as important as they are, "transparency" and "good governance" reforms do not alone suffice to change the calculus of bad actors – legal accountability for wrongdoers, including at the highest levels of the public and private sectors (what some term "the rule of law") is critical. We believe that TI in France played an important role in this incipient development because of its great legal and public advocacy and communications successes as *partie civile* in the Sherpa "*biens mal acquis*" case. TI France's willingness to take on that adversarial role marked a significant turn within TI more globally – not a transformation, but a broadening of their transparency-focused work methods to include approaches to enforcement. From this growing interest (likely reflecting, also, a generational shift in global TI's leadership more broadly) has resulted a now developing "No Impunity" initiative, built on the work of TI's network of local Advocacy and Legal Advice Centers (ALACs). TI has several times approached us seeking suggestions and guidance as they develop the No Impunity concept.

The most significant current players in work related to grand corruption accountability, aside from those mentioned above, include:

- International Center for Asset Recovery (ICAR). Established at the Basel Institute of Governance, with significant funding from the Swiss and Lichtenstein governments, ICAR's primary clients are states. ICAR does academic research into corruption-related topics (with particular focus on asset recovery), including law enforcement and investigation methodologies; it has an extensive online database of academic, governmental and juridical materials; and ICAR offers trainings in forensic investigation and analysis to law enforcement agencies in numerous countries. To some extent, ICAR has begun to explore and support the role of civil society in asset recovery – in our view, out of recognition of the substantial dynamism that civil society actors bring to the field, as compared with often stodgy and timid state actors. ICAR has been somewhat limited in its impact because of its dependence on states for

both support and for opportunities for providing training (its trademark “product”). Though many at ICAR would prefer closer collaboration with civil society, the organization has had to step lightly in linking up with non-state actors because of this dependence on the favor of sovereigns.

- Quite similar to ICAR is the partnership created by the World Bank and UN Office of Drugs and Crime (UNODC), the Stolen Asset Recovery Initiative (StAR). As offspring of two intergovernmental institutions, StAR has been more conservative than ICAR (a private entity), particularly when it comes to joining up with civil society. While hopes were high at first that StAR would become a major anticorruption player – including assisting in asset recovery proceedings – such a hands-on role has proved politically impossible. Like ICAR, StAR has produced much academic and theoretical work, some of which has been excellent (particularly their work on use of shell corporations to abscond with national wealth).
- Another, somewhat unusual, actor in this arena is the large law firm Edwards Wildman, which has a subspecialty representing governments in asset recovery proceedings, particularly in the UK and British dependencies. Firm partner Tim Daniels has represented the government of Nigeria in several high-profile proceedings, particularly for recovery of UK-situated assets of Sani Abacha, and also represents the Indonesian government seeking assets stolen in the Sukarno era. Daniels has also been very supportive of civil society’s efforts to assist and influence asset recovery and anticorruption proceedings, and has provided much useful advice to civil society organizations, including the Justice Initiative.
- A number of new NGOs or NGO/Investigative journalist hybrids have joined the fray, building on their own investigations to develop cases themselves or, more often, actively seeking out partners (both NGOs and traditional law enforcement) to make use of the fruits of their investigation. Among these groups are the Organized Crime and Corruption Research Project (OCCRP); the International Consortium of Investigative Journalists (ICIJ – the consortium responsible for the massive Offshore Leaks disclosures); the Swiss group *Déclaration de Berne* (focused on the baleful international impacts of the activities of Swiss financial institutions and commodities businesses); US-based EG Justice (a critical partner in our EG work); and Conflict Awareness Project (CAP), led by former UN conflict resources Expert Kathi Austin, who helped us develop the factual bases for our pillage cases.
- Some other important individuals in the field, mainly journalists and investigators, are Angolan Rafael Marques (Makaangola), independent US-based journalist Ken Silverstein, and international arms trade expert Andrew Feinstein (Corruption Watch UK, with whom we partnered in our Angola-Russia investigation and report). Silverstein and Feinstein were Open Society Fellows, which enhanced our collaboration with them.¹

3. Our Work

When we first began our work, as discussed above, the field was relatively sparse. International NGOs such as Global Witness, Human Rights Watch, RAID and a few others were engaged in significant and powerful work of ‘naming and shaming’ – based on their field investigations, shining a harsh bright light on instances or structures of egregious resource-related corruption and its perpetrators in places like Cambodia, Malaysia, EG, DRC, and Sierra Leone. Our earliest concept was that these kinds of groups would provide the raw material for our cases: They’d provide the “facts” and we’d process them into cases. It turned out not to be so simple.

¹ The Justice Initiative met Feinstein through the Fellowship. We had worked with Silverstein before.

Powerful stories of outrageous injustice, we found, do not necessarily make provable cases. We began to develop guidance for on-the-ground investigators, articulating what we called “templates” of somewhat typical and – crucially – from our point of view, more feasibly triable fact patterns than, for example, claims of sanctions violations or complicity in human rights abuses, that had tended to predominate in previous efforts. We hoped that these would help investigators (irrespective of jurisdiction) identify and hunt for predictably necessary legal evidence, while helping us rationalize our legal strategies. We conceived of three initial templates, regarding:

- **Unjust enrichment:** In some jurisdictions, senior officials can be required to demonstrate the lawfulness of the source of their wealth if their lifestyles appear to reflect assets in excess of their apparent legal earnings; in other jurisdictions, such incongruities, even if not *per se* unlawful, can provide sufficient grounds to open an investigation.
- **Land disputes:** Often corruption and abuse of state mechanisms play an important role in forced land expropriations, in which the privileged ride roughshod over the rights of the poor. Whether the aim of the beneficiary/perpetrator of the land grab is to construct a more magnificent personal dwelling, establish a lucrative business, develop natural resources on or under the land, or illicitly profit from crooked government procurement and construction contracts, bribery, fraud, nepotism embezzlement, and brazen self-dealing are usually in the picture. Land is, of course, *the* bedrock primary natural resource. A case involving land seizures can give an important leg up because of the involvement of clear victims, who may have legal standing to bring cases, in their own country or elsewhere. (Standing for civil society or private parties is often extremely difficult to establish in cases involving high-level systematic corruption because even while the majority of society is victimized by such corruption, there may not be individualized legally cognizable injury sufficient to establish a right of action to a specific plaintiff or plaintiffs.)
- **Pillage:** Pillage is essentially theft in context of armed conflict and constitutes a war crime under customary and conventional law of war. Someone who knowingly receives (by gift or by purchase) stolen goods that have been pillaged can also be prosecuted for pillage.

DRC Pillage Cases / UK and Switzerland / Other Pillage Cases

The pillage template has proved especially fertile. Researching the jurisprudence of pillage, largely from after World War II, we found the doctrine richly and forcefully articulated. Many of the most important cases dealt specifically with the acts of commercially motivated business persons purchasing industrial, natural or financial assets from persons they knew had no legal right to them. In 2010, we published a widely discussed manual on the law of pillage, *Corporate War Crimes: Prosecuting the Pillage of Natural Resources*, designed in the first instance, to introduce the well-established but relatively unfamiliar legal elements of pillage to prosecutors, but also intended to guide civil society investigators on the ground. In partnership with the International Criminal Court’s Office of the Prosecutor, we held a two-day training at the ICC for about 15 national level war prosecutors and ICC prosecutors, and we followed that with a large two-day book launch event at the Hague Peace Palace, with numerous expert panels on various topics, including a lively give-and-take on the merits of the pillage approach.

These events helped us establish good relationships with prosecutors in several countries with whom we and/or partner NGOs have maintained contact.

Working with CAP, and based on initial revelations by the UN Group of Experts on the DRC, we investigated and prepared a detailed legal and factual dossier on a gold trading circuit, in which conflict gold from Congolese Ituri was sold by unlawful armed groups to a Ugandan gold trader, who then sold it on to a UK enterprise, which, in turn, sold it

further to its ultimate customers, UK banks. We submitted the dossier to the UK's Crown Prosecution Service (CPS), including the CPS's deputy head for counterterrorism and war crimes, whom we had originally met at our 2010 ICC pillage training. The CPS is now investigating and preparing a case respecting the UK and Jersey participants in the illegal trade.

We also developed a separate but related case, in partnership with CAP and a Swiss group, TRIAL, not usually focused on resource corruption but rather on accountability in Swiss courts for human rights abuses and war crimes. TRIAL, was attracted to our pillage model because of its value in addressing the economics of conflict resource trafficking, while fitting squarely within their core human rights/war crimes legal focus. Working with TRIAL and CAP, we revised and supplemented our CPS dossier to focus on the role of a Swiss gold refinery, Argor-Heraeus S.A., that colluded with the UK trader's gold pillaging by refining the gold, effectively rendering it both marketable....and untraceable. We launched that case with a filing of a criminal complaint in November last year, in Bern, accusing the refinery of complicity in pillage and of laundering. Within a few days, the prosecutor had announced opening of a case file and had conducted a major search and seizure of documents and computers at the company's offices. The case received and continues to receive extensive media and other coverage and interest. (In January 2014, the Swiss Criminal Court firmly rejected Argor's challenge to the legality of the search, finding that the criminal complaint and annexes had set out more than sufficient evidence to justify the search.)

We have also advised colleague NGOs in Israel and in Belgium regarding pillage cases they sought to develop related, respectively, to Dead Sea mineral exploitation in the Occupied Territories, and to diamond trading in Sierra Leone. (The Belgian prosecutor was one of the participants at our 2010 ICC pillage training.) Most recently, amidst the publicity on the Swiss case, the US-based ENOUGH PROJECT (which advocates around resource-driven rights abuses in the DRC) contacted us to advise as they are looking to investigate and initiate with DRC partners cases on conflict resource trafficking in DRC.

EG Cases / ACHPR and Spain

The first two cases we filed related to Equatorial Guinea (EG). In 2007 we filed our first case before the African Commission on Human and Peoples' Rights (ACHPR) seeking a finding that the EG government violated article 21 of the African Charter on Human and Peoples' Rights by colluding with the ruling Obiang clan's spoliation of the country's natural resource wealth. Our aim in this case was to begin to generate "soft law" toward establishing article 21 as a human rights-based legal remedy for resource-related grand corruption. (Article 21 affirms the right of "[a]ll peoples [to] freely dispose of their wealth and natural resources.") The case has generated interest in a number of circles, but ultimately was dismissed for failure to exhaust local remedies in EG, an effort we had argued would be futile and dangerous, and so should be excused. (One of our key arguments – that EG law provided no legal remedy for article 21 violations – was not frontally addressed in the Commission decision, and we continue to explore how to take article 21 forward.) Our case in Spain, filed in 2008 with APDHE, builds on information uncovered by a US Senate committee about suspicious financial transfers from the EG Treasury account at former Riggs Bank to accounts in Spain believed to be beneficially owned by President Obiang. That case has garnered massive attention in Spain and EG (less elsewhere), and we believe that indictments of one or more of the President's "straw men" are likely this year.

Angola-Russia Debt Case/ Switzerland

Throughout much of 2012-13, we worked with Andrew Feinstein/Corruption Watch UK and the Angolan NGO (and OSISA grantee and partner) *Mãos Livres*, to publish a detailed report on a corrupt sovereign debt restructuring deal

in the early 2000s, in which arms traders A. Gaydamak and P. Falcone, together with Angolan and Russian officials, including Angolan President dos Santos, made off with hundreds of millions of dollars of oil money that should have been used to benefit the Angolan people. In conjunction with the report publication, four Angolan civil society activists filed a criminal complaint in Switzerland, targeting those mentioned above, as well as senior UBS Bank officials who facilitated the dirty transactions through provision of bank escrow services. The case received broad global attention, and a file was opened. *Mãos Livres* clandestinely distributed hundreds of copies of the Portuguese version of the report in Angola and held numerous public meetings in Luanda and the provinces at which the substance and the lessons of the Debt Deal were discussed. Unfortunately, even with the case active, and despite the richly documented evidence of the criminal nature of the dealings published in our report and online, the Swiss surprisingly refused to question Gaydamak even when they held him in custody in connection with another matter last November, and they subsequently closed the case.

Building/Supporting the Field

As part of our work to “create an environment supportive of our cases,” we initiated and organized a global campaign, including EG Justice, Human Rights Watch, APDHE, Sherpa, Committee to Protect Journalists, TI, PWYP, and major personalities including several UNESCO prize winners and Nobel Prize winners Wole Soyinka, Chinua Achebe, J.M.G. le Clézio and Mario Vargas Llosa, advocating for UNESCO to decline corrupt EG President Obiang’s offer to endow an eponymous science prize with \$3 million (whose lawful provenance was never adequately demonstrated). We garnered global publicity, focused on the contrast between the ruling family’s extravagant jet-set lifestyles built on stolen and squandered EG oil wealth, and the grueling poverty at home, and state oppression and cruelty that help keep Obiang in power. The extraordinarily uninhibited spendthrift lifestyle of Obiang’s son (and heir apparent), Teodorin, was catnip for journalists. The Sherpa/TI France “*biens mal acquis*” case was, by fortuitous coincidence, ramping up, resulting among other things in major property seizures in Paris (where UNESCO is based) against Teodorin (timed, we believe, to occur precisely when UNESCO was deliberating on the prize). In the end, after staving off the prize for some three years, and despite the UNESCO Director General’s call to terminate the prize, appeals within UNESCO to “African solidarity” resulted in the prize being confirmed and awarded, with voting starkly divided along regional lines.

From that experience, we learned many things, but the most important lesson was the fatal absence of extensive civil society support in much of Africa, particularly in the critical West Africa region where EG is located. Later experiences with our DRC pillage cases also reinforced the need for us to ensure affected communities see the cases we pursue as important to their concerns and interests, , and to link up our efforts to advocacy on the ground. We also came more clearly to appreciate that we needed to do a much better job in demonstrating the links between grand corruption, on one hand, and human rights abuses and atrocious governance, on the other.

C. GOING FORWARD

In our Angola-Russia-Switzerland case, we made some progress in constituency building: we worked very closely on legal strategy, communications and messaging with OSISA Angola and with *Mãos Livres*, as well as with Corruption Watch UK and *Déclaration de Berne*. The matter has gotten much unofficial attention in Angola. Our jointly developed strategy included a legal filing by *Mãos Livres* in Angola seeking investigation into Angolans alleged to have received bribes in connection with the deal, as well as a parliamentary petition calling for President dos Santos to answer the allegations.

We are developing a proposal for Legal Officer Erica Razook to be located for at least three months in OSIWA's office(s) (likely mainly Dakar and Abuja). We anticipate her presence there will help us strengthen relations with OSF colleagues across the Africa-based foundations and develop collaborations that more accurately fit into needs and agendas of activists working on similar issues. We are planning a series of events (the "Legal Remedies II" project) to solicit and foster broad discussion in meetings, online and perhaps in other ways, of papers relating to anticorruption remedies from civil society, academic and practitioner experts in the region and beyond, sharing experiences and lessons learned, proposing new approaches, and providing practical information to practitioners. One critical aim of this effort is to articulate a shared universe of related issues and challenges that, even if not all actively taken up by the Justice Initiative, form the basis for mutual support and specific collaborations. These interactive conversations will culminate in a conference toward the end of the year, possibly in Nigeria (to be co-sponsored with AfRO, possibly OSIWA, and others to be determined). At the conference, the papers will be debated and critiqued, and, we anticipate, other discussions on relevant topics will also take place. The papers will be revised, based on the input received, and will ultimately be published in a practical, updated version of the *Legal Remedies* book.

All this is a start. But we need to make our cases more closely linked up with the advocacy, protest and struggles of people on the ground, and we need to bring cases that speak even more directly to the needs of those people. This is the challenge.

QUESTIONS

1. An initial insight which led to our engagement in this work was that seeking legal accountability for grand corruption required engagement by an actor with the willingness and capacity to invest high level resources over an extended period of time. The difficulty of obtaining proof of corruption, the challenge of securing legal standing for victims, the willingness of powerful actors to engage in potentially life-threatening retaliation to resist legal challenge, all made the Justice Initiative within OSF uniquely capable of taking on this challenge. Does that insight still hold true? Need it be modified or not?
2. Even if our premise of the close links between high-level corruption and poverty and lawlessness is correct, does it necessarily follow that the effort to prosecute kleptocrats and their partners is the most effective way to address the problems? Should the Program consider addressing a culture of rampant corruption through bottom-up, largely non-litigational measures – such as restructuring public services to eliminate low-level official control; or through "I Paid A Bribe" programs (crowd sourcing to map corruption and deny invisibility to corrupt civil servants)? Would any of these lend themselves well enough to the Justice Initiative skill set and presence to make it a close call?
3. What considerations, if any, could induce the Program to focus on in-country cases targeting lower level officials and accomplices, even where judicial independence is weak? Might there be a proper "balance" between in-country cases and those in developed country jurisdictions? Our case selection criteria have revolved around factors such as "winnability," impact and scale. By bringing cases mostly in financial centers in the global North, however, do we unduly risk the unintended consequences of undermining local judicial reform efforts, or demoralizing local populations about prospects for local change? To what extent might it be desirable to modify our case selection criteria to move more toward considerations of longer term capacity building through partnership and investment in local movements? If we were to do so, given our non-local nature, what conditions would have to be present to make this viable?

ELEMENTS OF THE PORTFOLIO¹

Litigation

2. Anticorruption – Building the Field

- Ukraine: Behind the scenes advice and support to Ukrainian partner Anticorruption Action Centre's efforts to generate corruption litigation in Europe and the U.S. respecting state assets stolen by senior Ukrainian leaders (see, e.g., <http://yanukovich.info/>) (2013 - ongoing)

11. Grand Corruption Strategic Litigation

- Equatorial Guinea : African Commission Article 21 Communication (2007 – ongoing) (<http://www.opensocietyfoundations.org/litigation/apdhe-v-equatorial-guinea>)
- Equatorial Guinea: Spain case APDHE v OBIANG FAMILY (includes grants to Asociación pro Derechos Humanos de España)(2008 – ongoing) (<http://www.opensocietyfoundations.org/litigation/apdhe-v-obiang-family>)
- Democratic Republic of Congo: Pillage case re conflict gold, UK submission (2012 – ongoing) (see [case presentation](#) and [power point](#) presented to Crown Prosecution Service)
- Democratic Republic of Congo: Pillage case re conflict gold, Switzerland *dénonciation pénale* (2013 – ongoing) (<http://www.stop-pillage.org/swiss-criminal-case/>)
- Angola: Angola-Russia Debt Deal case, Switzerland *dénonciation pénale* (2013 – ongoing) (<http://www.cw-uk.org/angola-russia-report/>)

Public communications (reports) and briefings

2. Anticorruption – Building the Field

- Report: *Legal Remedies for the Resource Curse* (2005) (http://www.opensocietyfoundations.org/sites/default/files/legalremedies_20050906.pdf)
- Report: *Corporate War Crimes* pillage manual (2010, 2011) (<http://www.opensocietyfoundations.org/reports/corporate-war-crimes-prosecuting-pillage-natural-resources>)
- Briefing Paper: Briefing Paper: “The UNESCO-Obiang Prize, Corruption, and Abuse in Equatorial Guinea” (2010) (<http://www.opensocietyfoundations.org/publications/briefing-paper-unesco-obiang-prize-corruption-and-abuse-equatorial-guinea>)
- Blog: “Equatorial Guinea’s Obiang Prepares for New UNESCO Prize Bid” (2011) (<http://www.opensocietyfoundations.org/voices/equatorial-guineas-obiang-prepares-new-unesco-prize-bid>)

¹ NB: The following is a representative selection of actions and materials carried out and produced under the various rubrics. A number of items could logically fit under more than one rubric.

- Briefing Paper: “Abusing UNESCO” (2012) (<http://www.opensocietyfoundations.org/briefing-papers/briefing-paper-abusing-unesco>)
- Blog: “Kiobel v. Shell Returns to the U.S. Supreme Court” (2012) (<http://www.opensocietyfoundations.org/voices/kiobel-v-shell-returns-us-supreme-court>)
- Blog: “How the U.S. Supreme Court Moved the Goalposts on Corporate Liability” (2013) (<http://www.opensocietyfoundations.org/voices/how-us-supreme-court-moved-goalposts-corporate-liability>)
- Blog: “Equatorial Guinea: Teodorin’s Celebrations Seem Premature” (2013) (<http://www.opensocietyfoundations.org/voices/equatorial-guinea-teodorins-celebrations-seem-premature>)
- Briefing Paper: “Excerpts from the U.S. Case against Teodorin Nguema Obiang of Equatorial Guinea” (2013) (<http://www.opensocietyfoundations.org/briefing-papers/excerpts-us-case-against-teodorin-nguema-obiang-equatorial-guinea>)

11. Grand Corruption Strategic Litigation

- Report: *Corruption and its Consequences in Equatorial Guinea* (2010) (<http://www.opensocietyfoundations.org/publications/corruption-and-its-consequences-equatorial-guinea>)
- Blog: “Equatorial Guinea: Young People Lose Out as Summit Nears” (2011) (<http://www.opensocietyfoundations.org/voices/equatorial-guinea-young-people-lose-out-summit-nears>)
- Report: *Deception in High Places: The Corrupt Angola-Russia Debt Deal* (published by partners Corruption Watch UK and Mãos Livres (Angola)) (2013) (<http://www.cw-uk.org/wp-content/uploads/2013/04/The-Corrupt-Angolan-Russian-Debt-Deal-Full-Report.pdf>)
- Press materials: “Stop-Pillage Media Kit” (published with partners TRIAL and Conflict Awareness Project) (2013) (http://www.stop-pillage.org/wp-content/uploads/2013/10/STOP-PILLAGE_MEDIKIT_EN_light.pdf)
- Video and website (published with partners TRIAL and Conflict Awareness Project) (2013): (<http://www.stop-pillage.org/>)
- Blog: “Now You See Him, Now You Don’t: Switzerland’s Troubling Gaydamak Affair” (2013) (<http://www.opensocietyfoundations.org/voices/now-you-see-him-now-you-dont-switzerlands-troubling-gaydamak-affair>)

[Direct] advocacy

2. Anticorruption – Building the Field

- Training: Training for National Level War Crimes Prosecutors and ICC Prosecutors on the Crime of Pillage (at International criminal Court; co-sponsored by ICC Office of the Prosecutor) (2010)
- Conference: Corporate War Crimes/Pillage Conference and Book Launch (Peace Palace, The Hague) (co-sponsored with Grotius Centre for International Legal Studies, The Hague) (2010) (<http://www.pillageconference.org/>)

- Submission to UNESCO Internal Oversight Office, Investigation Section, alerting the office to the possibility that UNESCO may have accepted money representing illicit proceeds of corruption or other crimes in connection with the endowment of the UNESCO-Obiang Science Prize and requesting investigation, together with subsequent public follow-up letters and statements (2010) (<http://www.opensocietyfoundations.org/press-releases/unesco-fails-investigate-obiang-prize-money>)
- Oral submission and related private advocacy at the U.N. Human Rights Council, Universal Period Review of Equatorial Guinea (2010) (see: “Equatorial Guinea: No Room for Rights?” (2010) (<http://www.opensocietyfoundations.org/voices/equatorial-guinea-no-room-rights>)
- Training: Civil society training on investigation and analysis of forensic evidence for asset recovery, money laundering and similar anticorruption proceedings. (with Peters & Peters Solicitors (London) (2012)
- Testimony at the Parliamentary Assembly of the Council of Europe: “Corruption as a threat to the rule of law: Abuse of the corporate entity, secrecy jurisdiction arbitrage and under-regulated financial services” (2013) (<http://www.opensocietyfoundations.org/publications/arguments-corruption-threat-rule-law>)
- Conferences and Publication: Legal Remedies II Project: series of meetings and other interactive communications with civil society activists, academics, law enforcement and legal professionals, policy makers, etc. largely focusing on the state of the field of anticorruption legal remedies, with particular reference to the role of civil society; culminating in a major conference in Dakar; a series of papers and discussions will ultimately be published in book form, online and/or in other formats (2013 – ongoing)

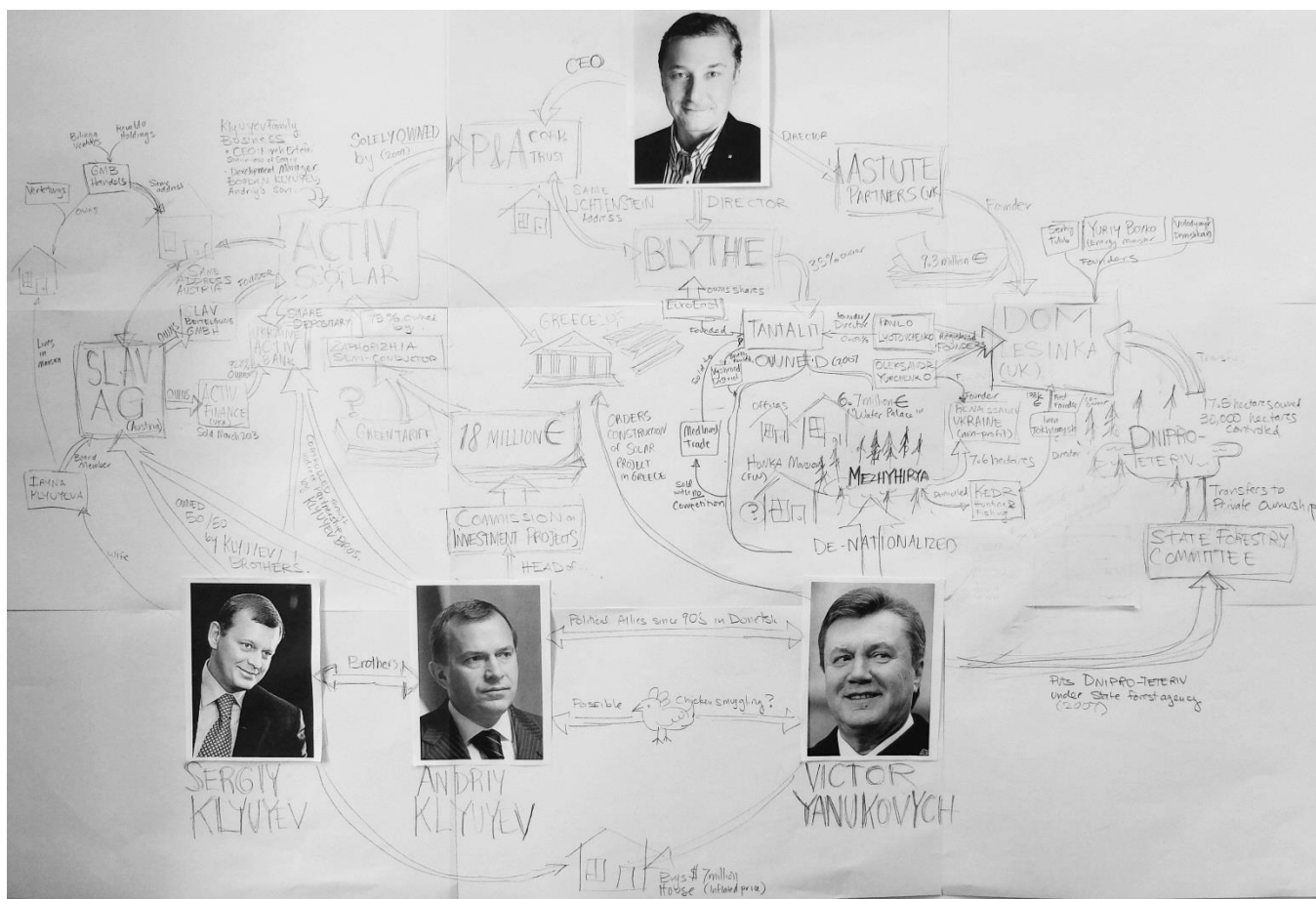
11. Grand Corruption Strategic Litigation

- Conference: Panel at the European Parliament Presenting Report *Deception in High Places: The Corrupt Angola-Russia Debt Deal* (co-sponsored MEP Ana Gomes) (2013) (<http://www.euractiv.com/development-policy/corrupt-angola-debt-deal-exposes-news-519315>)
- Panel: “Dirty Debt: The Shady Deal between Russia and Angola” (OSF Washington, DC) (2013) (<http://www.opensocietyfoundations.org/events/dirty-debt-shady-deal-between-russia-and-angola>)

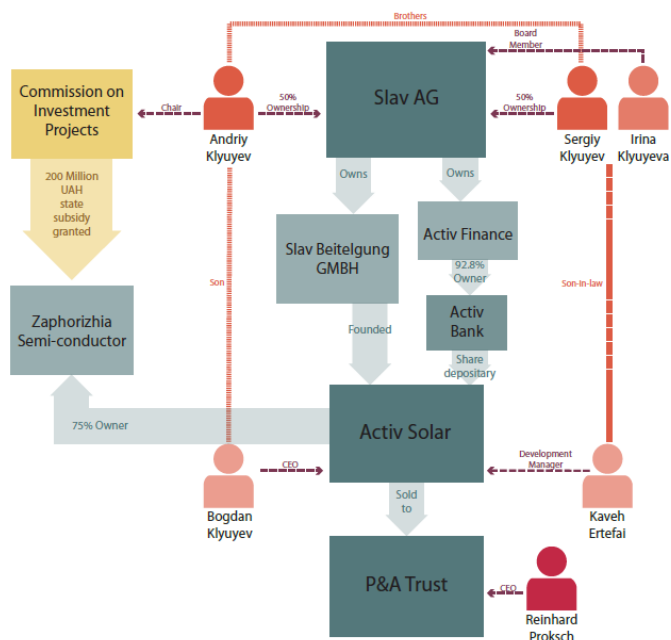
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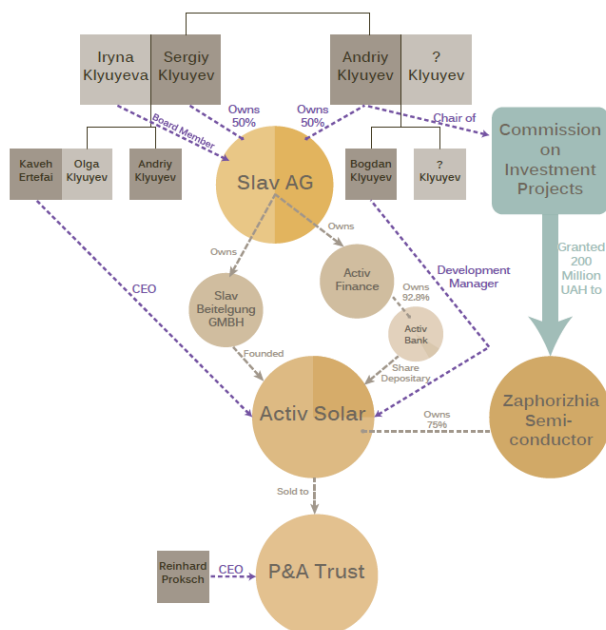
ANTICORRUPTION PORTFOLIO REVIEW ANNEX II



Original corruption web chart



Digitized chart version 1



Digitized chart version 2

UKRAINE: YANUKOVICH AND KLYUYEV CORRUPTION AND ABUSE OF POWER CHARTS (DECEMBER 2013)

ANTICORRUPTION PORTFOLIO REVIEW ANNEX II



STOP PILLAGE: PILLAGE IS A WAR CRIME ANIMATION STILLs (NOVEMBER 2013)

Jersey Evening Post

AT THE HEART OF ISLAND LIFE

INSIDE



AN OFFICER AND A GENTLEMAN

Obituary: General Sir Michael Wilkes



WHAT A BOAR

Mystery porker perplexes Alderney

Thursday 7 November 2013

50p including GST

Online at www.thisisjersey.com

War gold linked to Jersey

Island companies helped rebel 'pillagers' to buy arms, pressure group alleges



Huge quantities of gold were seized by an unlawful Congo government rebel group in 2003.

ALLEGATIONS of international 'war crimes' have been made against ten Jersey-registered companies amid claims that they helped fund the illegal purchase of African gold.

It is alleged that the companies, based in St Helier, facilitated the purchase of illegally obtained gold during a conflict in eastern Africa around ten years ago.

Following a nine year investigation by international pressure group the Conflict Armaments Project, the allegations were put before the Jersey Attorney General in March this

By news editor Carl Walker

carl.walker@thisisjersey.com

week, which implicates a number of trust companies and finance houses around the world, two of which are based or have offices in Jersey. Their paperwork names the directors of those companies. The companies are not being named by the JEP for legal reasons.

The allegations concern huge quantities of gold that were seized by an unlawful Congo government rebel group in 2003.

To raise funds to purchase new weapons,



Kath Lyns Astor, executive director of the Conflict Armaments Project, at a press conference in Geneva.

the rebel group is reported to have sold the gold across the border in Uganda and a Jersey-registered company put up the funds to enable that purchase.

The illegally obtained gold was then allegedly used to fund the purchase of another Jersey-based company is alleged to have facilitated those sales, apparently passing off the gold as a legitimate source of revenue.

The majority of other companies involved in the sale of the gold - the seizure of which has led to the allegations of war crimes by 'pillagers

(Cont on page 2)



Hundreds caught out as games retailer struggles

By Michael Morris

michael.morris@thisisjersey.com

HUNDREDS of Islanders are facing disappointment after being told they will not receive next-generation consoles they've ordered from troubled retailer Blockbuster.

Customers who pre-ordered new PlayStation 3 or Xbox One consoles have been told that the orders cannot be fulfilled following

(Cont on page 2)

INSIDE

47 JOBS

JEP
in Classified
Page 35



The CPS incorporates RCPO

Mr Kenneth Hurwitz
Open Society Justice Initiative
224 West 57th Street
New York
NY 10019

FAX 001 212 548 4662.

Date: 30th August 2013

Our ref: MST/CTD

Dear Kenneth.

Re: Hussar Limited.

Thank you for your letter of 2nd August last. I am sorry to have been out of contact for a considerable time, although as you are aware, your visit to London to discuss the case fell into the period shortly before the Olympic and Paralympic Games, which meant that the case could not be reviewed immediately.

Over the past three months I have been in discussions with Detective Sergeant Power of the War Crimes section of the Metropolitan Police Counter Terrorism Command, who has conducted a very detailed review of all the material which you submitted to us.

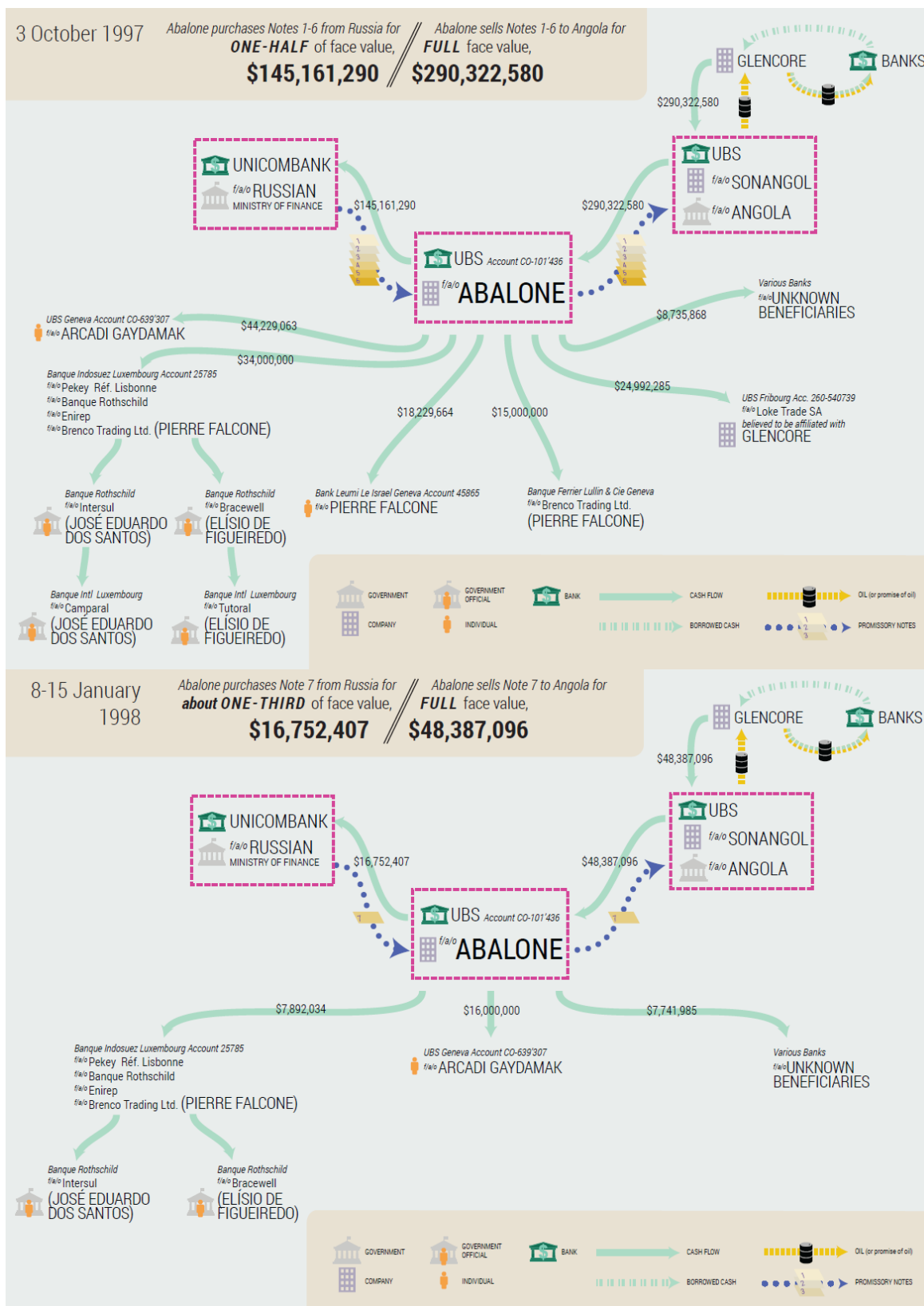
The police investigation is presently focussed on the time after 15th October 2004, which is when the investigator Kathi Austin made the original phone call to Jonathan Graff, the Director of Hussar (and after the UN Sanctions regime had come in to effect on 28th July 2003), as it appears to be clear by that time that the gold which Hussar Limited was purchasing came from the DRC. That is because of the evidence that the quantity of gold being mined in Uganda, its alleged source, was negligible, and because there was by then a widespread knowledge, both amongst those who traded gold internationally and within the region that DRC gold was reaching Uganda. There were warnings from reputable authorities that property was

INVESTORS
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ANTICORRUPTION PORTFOLIO REVIEW ANNEX II



CHARTS FROM DECEPTION IN HIGH PLACES: THE CORRUPT ANGOLA-RUSSIA DEBT DEAL (APRIL 2013)

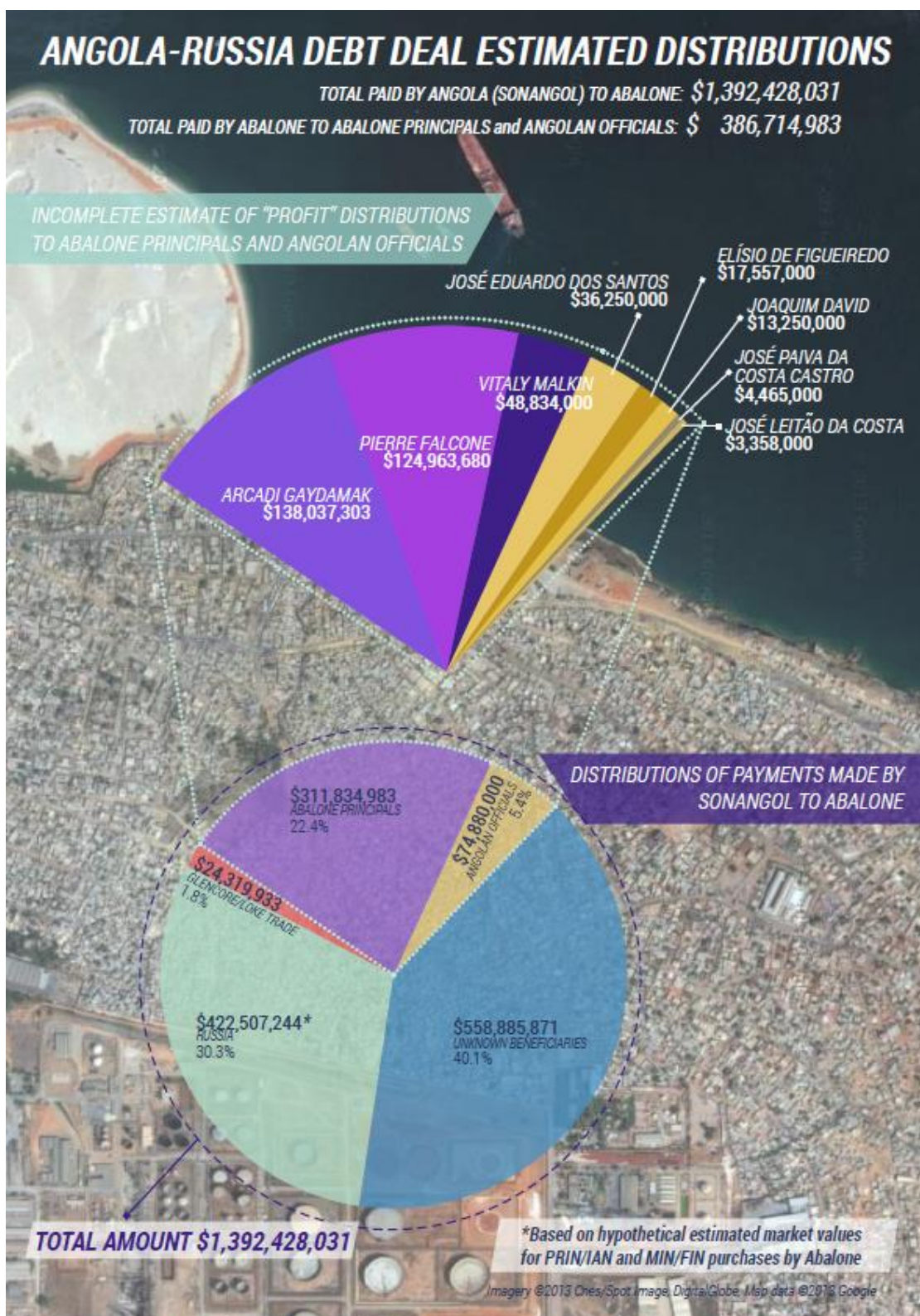


CHART FROM DECEPTION IN HIGH PLACES: THE CORRUPT ANGOLA-RUSSIA DEBT DEAL (APRIL 2013)



Corruption as a threat to the rule of law:

Abuse of the corporate entity, secrecy jurisdiction arbitrage and under-regulated financial services

Testimony of Erica Razook
Associate Legal Officer, Anti-corruption, Open Society Justice Initiative,
Open Society Foundations
before the Parliamentary Assembly of the Council of Europe

March 19, 2013

Good morning honorable members of the Assembly. Thank you for your attention to this important issue, and the invitation to speak before you.

The Open Society Foundations is concerned by the role of Council of Europe companies and other intermediaries in assisting or colluding the perpetration of acts of grand corruption – particularly in cases resulting in massive draining of national treasuries and natural resource wealth of politically and economically vulnerable states.

The cases we develop and learn about through close monitoring and investigation illustrate in real terms the concepts you are grappling with - inequality before the law, arbitrariness and discrimination.

When left unaddressed, large-scale money laundering and related corrupt acts through pristine

appearing financial instruments and institutions undermine the rule of law by allowing certain wealthy and politically powerful elites to exploit the system to the detriment of the people – at will and often with impunity.

Certain causes make this exploitation possible: (i) permitting transfers of wealth and frustrate law enforcement, (ii) failing to regulate financial services and (iii) maintaining opportunity for secrecy.

To date, enforcement of anti-money laundering law and standards is much to be desired. A seeming non-stop stream of cases over billions in illicit flows. What's more, layers of built-in secrecy in the cases we know about are likely only the tip of the iceberg.

AS/Jur (2013) 19

C. Explanatory memorandum by Ms Reps, Rapporteur

1. Introduction

1.1. Procedure to date

1. On 5 October 2012, the Parliamentary Assembly's Bureau decided to transmit the topic of "Corruption as a threat to the Rule of Law" to the Committee on Legal Affairs and Human Rights for report, to be presented to the Assembly in the context of its June 2013 debate on "the state of human rights in Europe". The Committee appointed me as rapporteur at its meeting on 12 November 2012.

2. On 24 January 2013, the Committee held a joint hearing with the Committee on Rules of Procedure, Immunities and Institutional Affairs with the participation of Mr Marin Mrčela, President of the Group of States against Corruption (GRECO), in the framework of the fourth evaluation round on the prevention of corruption in respect of members of Parliament, judges and prosecutors. On 19 March 2013, the Committee on Legal Affairs and Human Rights held another hearing during its meeting in Paris, which brought together a number of experts and representatives of international non-governmental organisations with specialist knowledge in the fields of corruption and the rule of law. The invitees included Ms Anne Koch, Transparency International's Regional Director for Europe and Central Asia (Berlin) and Ms Valentina Rigamonti, Transparency International's Senior Regional Coordinator (Berlin), Ms Erica Razook, Associate Legal Officer on Anticorruption at the Open Society Foundation (New York), Ms Róisín Pillay, Director of the International Commission of Jurists' Europe Programme (Geneva), and Mr Daniel Smilov, Programme Director at the Centre for Liberal Strategies (Sofia).²

1.2. Definitions

3. There is no single universally recognised definition of corruption or the rule of law. In addition, whilst corruption and the rule of law are commonly used phrases, it is somewhat surprising that the European Court of Human Rights has not developed specific definitions for these terms in its case law. A number of other institutions and legal instruments have attempted to define both terms.

ERICA RAZOOK TESTIMONY BEFORE THE PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

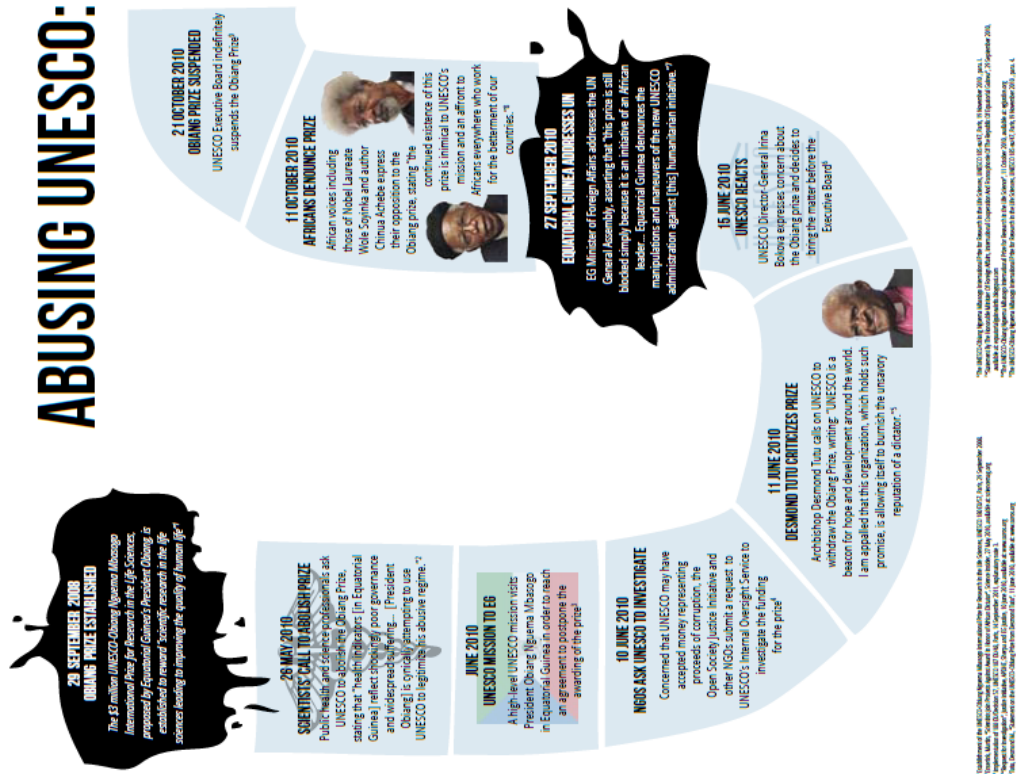
Referenced by the Committee on Legal Affairs and Human Rights "Corruption as a threat to the Rule of Law" Report by Ms Mailis Reps, Estonia, Alliance of Liberals and Democrats for Europe

PRESIDENT TEODORO OBIANG OF EQUATORIAL GUINEA



¹ "The Obiang Prize for Research in the Life Sciences," UNESCO, accessed 10/10/2012, <http://www.unesco.org/education/obiangprize/>.
² "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
³ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁴ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁵ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁶ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁷ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁸ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁹ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹⁰ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹¹ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹² "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹³ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹⁴ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹⁵ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹⁶ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.

ABUSING UNESCO:



¹ "The Obiang Prize for Research in the Life Sciences," UNESCO, accessed 10/10/2012, <http://www.unesco.org/education/obiangprize/>.
² "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
³ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
⁴ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
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¹² "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹³ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
¹⁴ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.
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¹⁶ "Obiang Prize," *Transparence Internationale France*, accessed 10/10/2012, <http://www.transparence-internationale.fr/obiang-prize/>.

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Luxury Cars Worth \$5m Add to UNESCO's Prize Humiliation

September 29, 2011 | by Erica Razook | Open Society Justice Initiative | 2 comments

French National Police seized [11 luxury "supercars"](#) in Paris this Wednesday, all belonging to the family of President Teodoro Obiang Nguema Mbasogo of Equatorial Guinea. (Some reports now say [16 cars](#) were taken in all.)

The cars, including a Maserati, two Ferraris, a Porsche and two Bugattis, have a collective reported value of approximately \$5m. They are some of the assets French investigators have been uncovering pursuant to a criminal proceeding initiated by civil society organizations [Association Sherpa](#) and [Transparence International France](#), regarding three African heads of state, known widely as the "[biens mal acquis](#)" (or, "unjust enrichment") case.

As French police swooped on the Obiang car collection, the Equatoguinean president was also on the agenda of Paris-based UNESCO, the UN's main scientific, educational and cultural body. Its executive board is currently reviewing a bid to revive the "UNESCO-Obiang Nguema Mbasogo International Prize for Research in the Life Sciences", a year after putting the idea of honoring the president's three decades in power on hold amid a wave of protests.

The Open Society Justice Initiative, which helped coordinate last year's campaign, believes that Unesco' board members should not forget about those cars and what they represent, as they contemplate the proposal to resuscitate the prize. In a letter this week, we and three other groups called on executive board members to [halt any activity or action](#) which would advance the Obiang prize until a full investigation into the source of the \$3m in funding for it could be carried out.

For, aside from the supercars seized in the French case, there are proceedings or investigations in [Spain](#), the United States and before the [African Commission on Human and Peoples' Rights](#), all relating to Mr. Obiang, some of his close family and associates, and their apparent public-asset-conversion-money-laundering habits.

The groups had [last year notified UNESCO Executive Board members](#), [Secretariat staff](#) and the organization's [Internal Oversight Service](#) of their concerns about the receipt of the prize donation and [asked for investigation](#) into the source of the funds. (Providing over 700 pages of [supporting documentation](#).)



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Erica Razook

Erica Razook is a legal officer for anticorruption with the Open Society Justice Initiative.

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Now You See Him, Now You Don't: Switzerland's Troubling Gaydamak Affair

December 20, 2013 | by Ken Hurwitz

Arcadi Gaydamak is on the run from a three-year prison sentence in France, linked to the Angolagate arms-for-oil scandal. Switzerland arrested him; then let him go.



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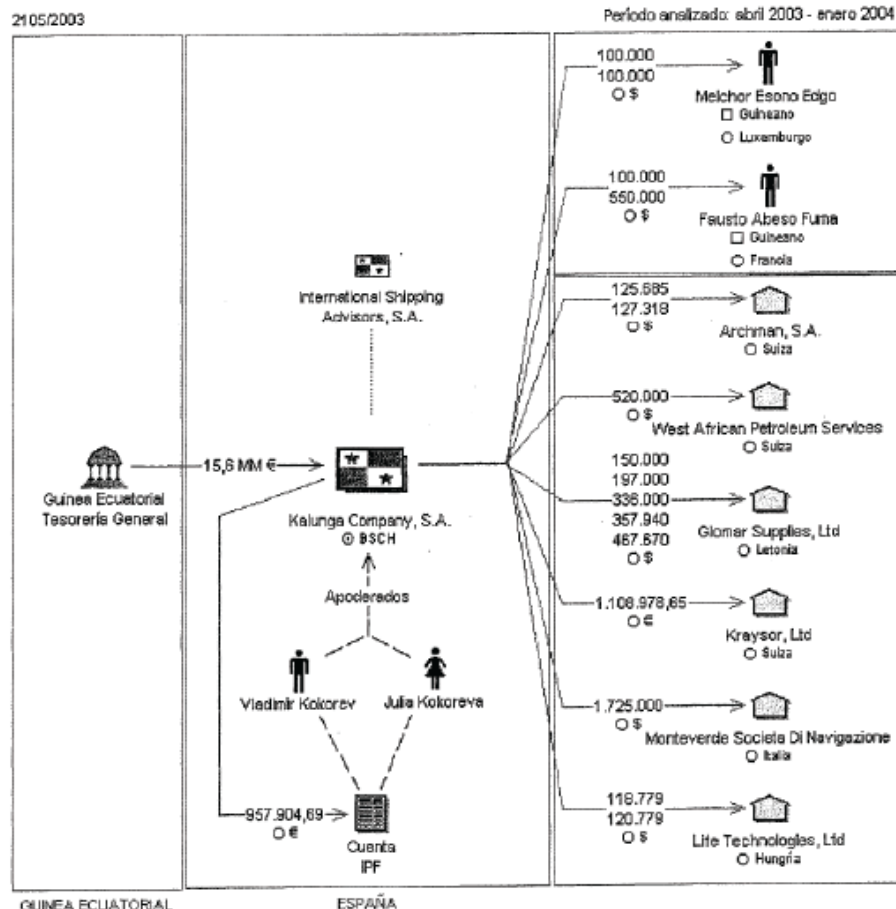
The High Cost of Cheap Gas in Southern Africa

November 18, 2013 | by Richard

BLOG POST: LUXURY CARS WORTH \$5M ADD TO UNESCO'S PRIZE HUMILIATION (29 SEPTEMBER 2011)

2. CHART OF PERSONS AND FLOW OF FUNDS

2. GRÁFICO DE PERSONAS Y FLUJO DE FONDOS



[translation:]
21/05/2003

Period analyzed: April 2003 – January 2004

Equatorial Guinea General Treasury	Agents IPF Account	[key:] Guineano = Guinean Luxemburgo = Luxembourg Francia = France Suiza = Switzerland Letonia = Latvia Italia = Italy Hungría = Hungary
EQUATORIAL GUINEA	SPAIN	

SPANISH POLICE ANALYSIS FROM APDHE VS OBIANG FAMILY (2011)

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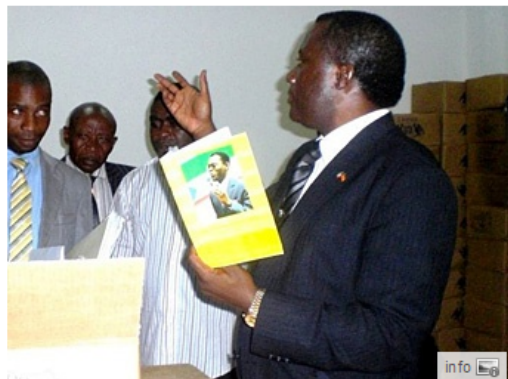
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Amidst UNESCO Scandal, President Obiang Gives Schools Notebooks in His Image

October 14, 2010 | by Ken Hurwitz | Open Society Justice Initiative | 3 comments



In the last several months, the UNESCO-Obiang Prize in Life Sciences has generated more **controversy** than the organization has seen in decades. **Nobel laureates**, previous UNESCO honorees, journalists, scientists, parliamentarians, human rights defenders, and ordinary people have all joined in criticizing the award.

It seems that almost everyone who hears about it is moved to protest the disconnect between

UNESCO's noble mission and its cuckoo plan to slap its name onto a science prize named for and funded by President Teodoro Obiang, a dictator linked to criminal or regulatory money-laundering investigations in three countries, a man whose 31-year reign has saddled the country with some of the worst health and development indicators in the world—despite oil revenues that put its per capita GDP in line with Italy or Spain.

Facing a global outcry against the award, Obiang has tried to fire back with some good old-fashioned do-gooding to prove he is a worthy namesake.

As any good philanthropist would do, the president looked around and saw a critical need no one was filling—the country's educational system. It certainly could use the help: net enrollment in primary education dropped from 96.7 percent in 1991, prior to the discovery of oil, to 69.4 percent in 2007, in a school system often described as corrupt and incompetent. In 2009, for example, the U.S. Department of State reported that "[t]eachers with political connections but no experience or accreditation were hired even though they seldom appeared at the classes the purportedly taught."

It's also a school system whose budget—4 percent of government expenditures, lowest portion in the world according to UNDP—apparently can't even cover the cost of notebooks for the kids. So the president


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Ken Hurwitz

Kenneth Hurwitz is senior legal officer on anticorruption with the Open Society Justice Initiative.

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BLOG POST: AMIDST UNESCO SCANDAL, PRESIDENT OBIANG GIVES SCHOOLS NOTEBOOKS IN HIS IMAGE (14 OCTOBER 2010)