

# RECOVER Project (GA no. 101091375)

## WP5 – Asset Recovery Office’s Activities and Management of Frozen and Confiscated assets

### *Questionnaire for the partners*

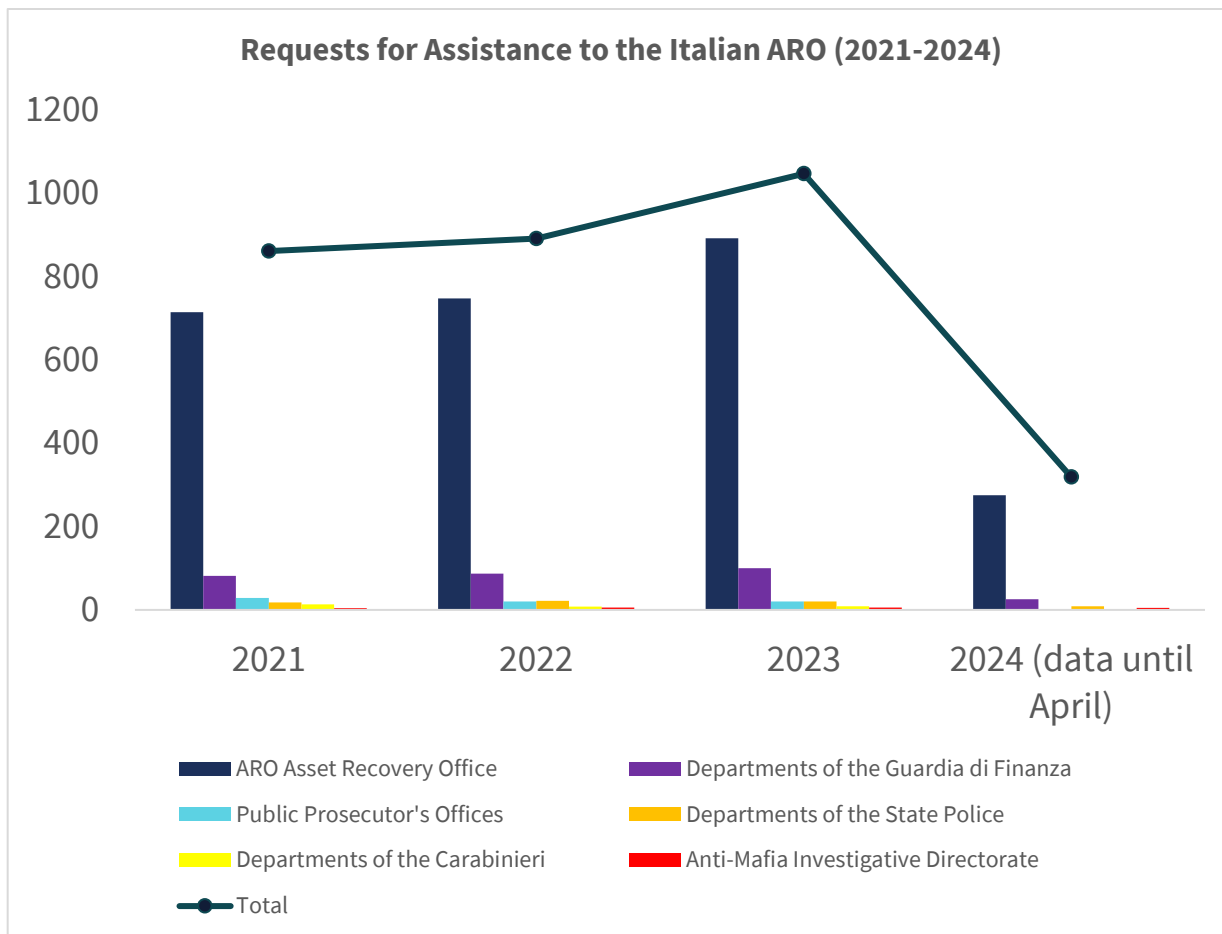
#### Section 1 – Asset Recovery Offices (AROs): Structure and Activities

1. Which agencies serve as the Asset Recovery Offices (AROs) in your country? Under which government department or agency do they operate?

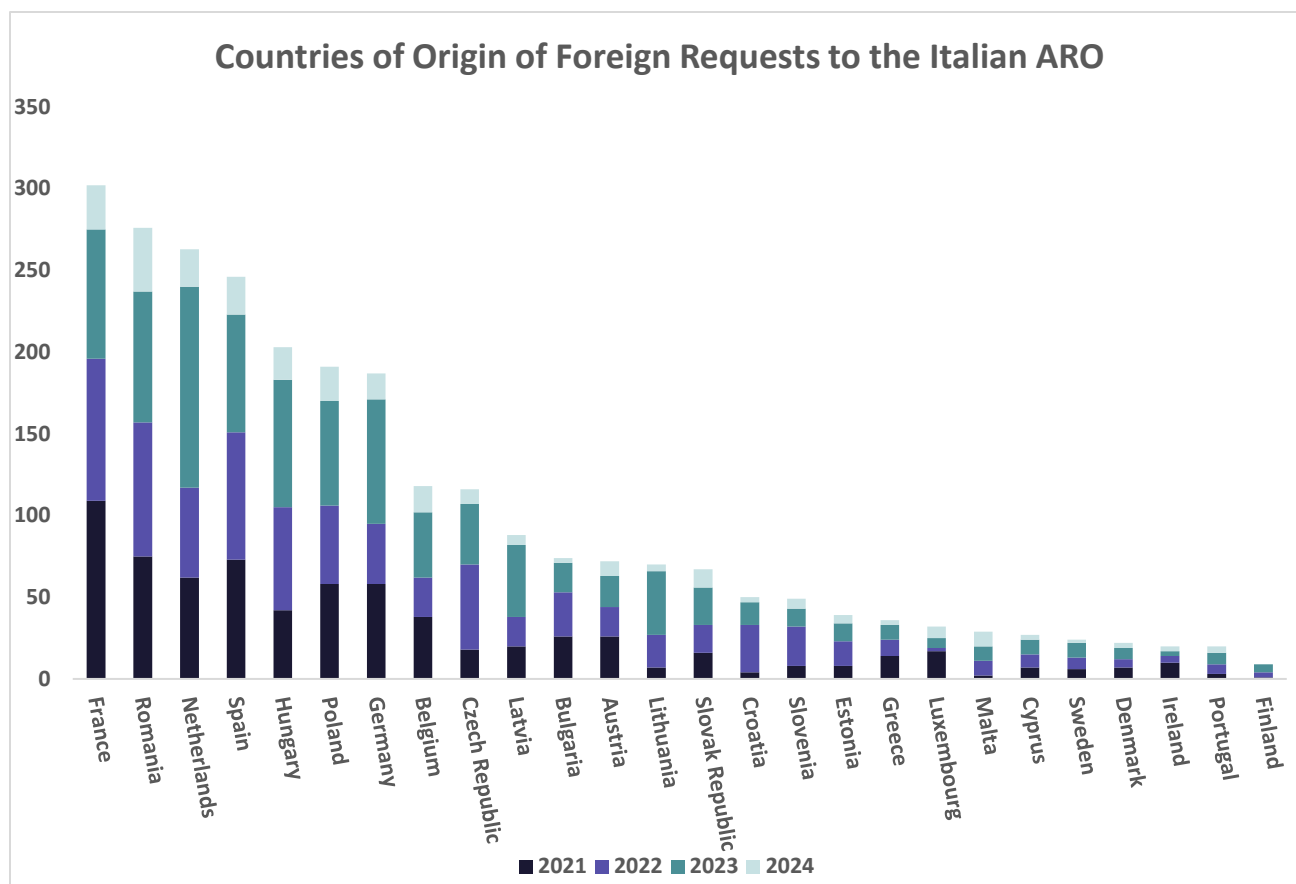
*In Italy, Minister of Intern at the Department of Public Security – central direction of criminal police – police’s international cooperation service is working as Asset Recovery Office.*

2. Are there any instances in your country where the Reg. (EU) 2018/1805 (hereinafter, the REG) was applied with the involvement of the ARO? Please provide examples and data if available.

*Unfortunately, we only have data on the assistance requests received by the Italian ARO, without specific details on which of these pertain to Reg. (EU) 2018/1805. However, from the graphs below, it is evident that the ARO plays a fundamental role in international cooperation, as most of the requests received by the Italian ARO come from the AROs of other Member States. In addition to its international role, the ARO also plays, albeit to a lesser extent, an important role in supporting Italian law enforcement agencies, such as the State Police, the Financial Guard, or the anti-mafia authorities.*



Looking at the foreign countries from which the assistance requests originate, **France** leads with the highest number of requests across all four years, indicating a significant level of collaboration or need for assistance in asset recovery operations involving Italian and French authorities. **Romania** and **Netherlands** follow, showing robust interaction with the Italian ARO. The substantial numbers from these countries might reflect either a high volume of mutual legal assistance cases or significant bilateral issues related to asset recovery. For many countries, such as **Germany**, **Belgium**, and the **Czech Republic**, there is a noticeable consistency in the number of requests over the years, suggesting ongoing, stable collaborations. In contrast, some countries like **Austria** and **Lithuania** show variations which might indicate fluctuating cases or specific incidents that required more intensive cooperation in certain years. Countries like **Luxembourg**, **Malta**, and **Cyprus**, despite their smaller size and presumably lesser volume of overall criminal activity involving asset recovery, still maintain a presence on the chart, underscoring the pan-European scope of asset recovery efforts. The data for 2024, shown in teal, indicates that the trend of requests from various countries is either continuing at a similar pace as previous years or slightly increasing, which can be seen in countries like **France** and **Romania**. This suggests ongoing reliance on and effectiveness of the ARO's services within the European legal and criminal justice framework.



3. What are the main activities undertaken by your ARO in applying the REG (e.g., asset tracing, investigative support, international coordination)?

*There is certainly a significant level of international cooperation, which materializes in providing assistance to the AROs of other Member States, primarily in investigative activities related to assets, as shown in the graphs above.*

4. What are the biggest challenges your ARO faces in the application of the Regulation, and how are these addressed?

*Specific information on the application of the Regulation miss, indeed it is not possible to identify the number of the requests and of the data regarding the cases under the Regulation.*

5. What tools and databases does the ARO most commonly use when applying the REG, especially for asset tracing (e.g., accessing public records, utilizing professional services or software)?

*The Italian ARO makes primarily use of:*

- a. *Central company registers*
  - b. *Central land registers*
  - c. *Other databases: real estate registers, the tax returns of natural and legal persons, pension system, register of vehicles, the police database.*
6. How does your ARO collaborate with AROs from other EU member states in applying the REG? Please provide examples and data if available.

*As specified earlier, there are no precise details on the assistance requests from other AROs in Europe concerning the regulation, but there is general information about the cooperation between the Italian ARO and other AROs.*

7. How many times has your office contacted the ARO for information or assistance in the past three years? What was the subject of your request?
8. In which areas does the ARO provide the most support to your authority? (e.g., asset tracking, legal support, international cooperation).
9. Which technologies or tools provided by the ARO do you find most useful in your activities/investigations?
10. Could you provide examples of successful cases or challenges encountered in collaborating with the ARO?
11. What legal or administrative challenges prevent effective collaboration between your authority and the ARO? Are there regulatory or bureaucratic barriers that limit effective cooperation?

*The issue isn't merely about cooperation between the police and judiciary; rather, it concerns the ability of every Member State to access and provide information to other Member States. Generally, the critical moment when discussing tracing, freezing, and confiscating assets abroad (in the EU) revolves around the harmonization of legal frameworks within the EU. It is crucial to enhance national legislations to facilitate effective cooperation. The problem in terms of efficiency and the quality of data provided by the AROs is evident in the limited number of seizures, freezes, and other measures used to deprive organized crime of its assets.*

12. Do you have any proposals for the harmonization of EU MS legislation on the structure and the activities of AROs?
13. Could you provide us with potential guidelines regarding the structure and the activities of AROs?
14. Do you have any further reform proposals, at a national or international level, concerning the structure and the activities of AROs?
15. Do you have any further policy recommendations, at a national or international level, concerning the structure and the activities of AROs?
16. In light of the new [Directive \(EU\) 2024/1260](#) on “asset recovery and confiscation”, do you consider the changes proposed for the functioning and composition of AROs to be effective? Please explain your reasoning and any anticipated impacts on your operations.
17. Does your organization collect data on the gender of individuals affected by asset freezing and confiscation orders? How is this information used to inform the functioning and policies of the ARO?

## Section 2 – The Management and the Social Reuse of Frozen and Confiscated Assets

1. Which entities or agencies are responsible for managing frozen and confiscated assets in your country? Please provide a brief description of the activities performed by each entity or agency.

### **Preamble**

*Italian legislation generally distinguishes between the management of seized assets (from the execution of the seizure to definitive confiscation) and the management-allocation of assets definitively confiscated (thus, becoming state-owned). This encompasses three different types:*

*a) **Seizure-Confiscation** (hereinafter collectively referred to as “preventive, extended seizure-confiscation for crimes of particular significance”):*

1. *Preventive (arts. 16 et seq. of Legislative Decree No. 159/2011, hereinafter referred to as the Anti-Mafia Code – C.A.);*
2. *Aimed at extended confiscation or for disproportion (art. 240-bis of the penal code and some rules of special laws);*
3. *Of any type (optional or mandatory per art. 240 of the penal code; mandatory or by equivalent as provided by numerous norms of the penal code and special laws), only if related to crimes of particular significance as indicated in art. 51, paragraph 3-bis, of the code of criminal procedure (c.p.p.).*

*In these three cases, the rules can be summarized as follows:*

- *For preventive seizure-confiscation (as mentioned in n. 1): o The applicative prerequisites and the procedure are provided by the C.A. (arts. 4, 16 et seq.); o The management of seized assets (including the protection of third-party creditors) is provided by the C.A. (arts. 35 et seq.); o The management and allocation of confiscated assets are provided by the C.A. (arts. 44, 45 et seq. C.A.);*
- *For extended seizure-confiscation and crimes of particular significance (as mentioned in nn. 2 and 3): o The applicative prerequisites are provided by the penal code or special laws; the procedure is regulated by the code of criminal procedure (for the execution of the seizure also by arts. 104 and 104-bis, paragraph 1 quater, implementing provisions of the code of criminal procedure, and further implementing provisions of the c.p.p., referring back to the C.A.); o The management of seized assets (including the protection of third-party creditors), the management and allocation of confiscated assets are provided by art. 104-bis, paragraph 1-quater, c.p.p. referring back to the C.A.;*

**b) Other types of seizure-confiscation**

- *The applicative prerequisites are provided by the penal code or special laws; the procedure is regulated by the code of criminal procedure (for the execution of the seizure also by arts. 104 and 104-bis, paragraphs 1 et seq., implementing provisions of the c.p.p.);*
- *The management of seized assets (including the protection of third-party creditors), the management and allocation of confiscated assets are provided by art. 104-bis, paragraph 1, 1-bis, and 1-ter implementing provisions of the c.p.p., partly referring back to the C.A.*

*Thus, the discipline of the C.A. is central:*

- *A comprehensive reference for extended seizure-confiscation and crimes of particular significance with regard to:*
  1. *The management of seized assets,*
  2. *The protection of third-party creditors in good faith,*
  3. *Relations with individual and collective enforcement procedures,*
  4. *The management of confiscated assets,*
  5. *The allocation of confiscated assets;*
- *A partial, yet significant reference for other forms of seizure/confiscation concerning:*
  1. *The management of seized assets,*
  2. *The protection of third-party creditors in good faith,*
  3. *Relations with individual and collective enforcement procedures.*

## **Response to the Question Jurisdiction over the Management of Seized Assets**

### **a) Preventive and Extended Seizure-Confiscation:**

- *From the execution of the seizure to the second-degree confiscation order:*
  1. *For preventive seizures, jurisdiction is assigned to the Delegated Judge appointed by the Tribunal (collegial) - Preventive Measures Section - and identified among one of the three judges of the panel that made the decision. Sometimes, the Tribunal intervenes upon the proposal of the Delegated Judge. The Delegated Judge is assisted by a judicial administrator appointed by the Tribunal with the seizure order from those listed in special registers. The ANBSC performs auxiliary tasks. In brief, as will be seen further (arts. 35, 36, 37, 40, 41, 42, and 43 C.A.):*
    - o *The Delegated Judge directs the management (or administration), authorizes extraordinary administrative acts, and maintains constant contact with the judicial administrator to resolve various issues;*
    - o *The Tribunal intervenes, upon the proposal of the Delegated Judge, to adopt significant measures and examines objections to the Delegated Judge's orders;*
    - o *The judicial administrator: executes the seizure (together with the judicial police); prepares an initial report on the seized assets and their best management; drafts periodic management reports; performs ordinary administrative acts (extraordinary administration acts require the authorization of the Delegated Judge); proposes the use of registered movable assets, real estate, businesses, and companies with total or majority seizure of social shares (for the latter, also proposes the continuation of business activities or liquidation, decided by*

- the Tribunal); at the end of their activity, presents an account that must be approved by the Tribunal; o The ANBSC receives the seizure notification (and enters the data in its computer system) and performs "auxiliary" tasks currently exercised only in the most significant cases due to lack of resources (arts. 38 and 110, paragraph 1, letter b) C.A.);*
2. *For seizures aimed at extended confiscation and other serious crimes, jurisdiction is assigned to the single judge who ordered the seizure or the Delegated Judge appointed by the collegial Tribunal among the three judges of the panel that made the decision (Panel that sometimes intervenes upon the proposal of the Delegated Judge). The Delegated Judge is assisted by a judicial administrator appointed by the Tribunal with the seizure order from those listed in special registers. The ANBSC performs auxiliary tasks (arts. 104-bis, paragraph 1-quater, implementing provisions of the c.p.p. referring to the provisions of the C.A., art. 110, paragraph 1, letters c) and e), C.A.);*
    - *From the second-degree confiscation to the definitive confiscation, the competencies of the ANBSC increase as it assumes the administration of the assets (replacing the judicial administrator) with a more "subtle" oversight by the Delegated Judge (preventive arts. 38, 44, and 110, paragraph 1, letter d), C.A.; extended confiscation arts. 104-bis, paragraph 1-quater, implementing provisions of the c.p.p., art. 110, paragraph 1, letter e), C.A.);*
    - *From definitive confiscation to the final destination of the asset, the sole competence lies with the ANBSC (preventive arts. 44 and 110, paragraph 1, letter d) C.A.; extended confiscation arts. 104-bis, paragraph 1-quater, implementing provisions of the c.p.p., art. 110, paragraph 1, letter e), C.A.). In brief, the experience gained has suggested following these operational guidelines:*
    - *Assigning the management direction of seized assets to the Delegated Judge, with the aid of a judicial administrator, until the second-degree confiscation. On one hand, this concentrates competence in a judge who oversees the management for most of the proceedings, even as it progresses through later phases or stages; on the other hand, this phase is "decentralized" since the ANBSC is not in a position to manage a very high number of seized assets from the seizure;*
    - *Providing, after the second-degree confiscation (when the seizure has reached a certain stability, lacking only the intervention of the Court of Cassation), for the ANBSC to take over the functions of the judicial administrator to also plan the subsequent phase of the final destination of the asset, within its exclusive competence.*

**b) Other Types of Seizure-Confiscation:**

- *From seizure to definitive confiscation, jurisdiction is assigned to the single judge who ordered the seizure or the Delegated Judge appointed by the collegial Tribunal identified among the members of the panel; the Tribunal sometimes intervenes upon the proposal of the Delegated Judge. The Delegated Judge is assisted by a judicial administrator appointed by the Tribunal with the seizure order from those listed in special registers. The ANBSC has no competence (art.104-bis, paragraphs 1, 1-bis, and 1-ter, implementing provisions, c.p.p.);*
- *From definitive confiscation to the asset's final destination, the competence belongs to the Execution Judge (arts. 86 et seq. and 104-bis paragraphs 1 and 1-bis, implementing provisions, c.p.p.).*



2. Can you provide statistics on the types and values of assets currently managed by authorities responsible for frozen and confiscated assets? How many of these assets result from the application of the REG?

*The amounts and values currently deposited in the Single Justice Fund as of June 30, 2024, are as follows: Resource Nature Amount Total Liquid (1) 2,588,877,318 of which already “advanced” to the State 821,880,000 Total Non-liquid 2,409,353,428 of which securities deposit 1,663,234,237 Total FUG 4,998,230,746. The data held by the ANBSC regarding seizures/confiscations for prevention, extension, and other serious crimes as of July 1, 2024, are contained in the attachment.*

3. How do competent authorities maintain the value of confiscated and frozen assets, especially for items requiring specific measures to prevent degradation?

### **From Seizure to Definitive Confiscation**

*As noted, with the seizure decree, a Delegated Judge is appointed who directs the administration and, if asset management is necessary, a judicial administrator is also appointed. This administrator bears the responsibility of preserving and, if possible, increasing the value of the assets (art. 35, paragraph 5, CA; art. 104-bis, paragraphs 1, 1-bis, and 1 quater, implementing provisions of the c.p.p.). The burden of undertaking all ordinary administration measures to maintain the asset's value and prevent deterioration falls on the judicial administrator. If extraordinary administrative acts are needed (for example, leasing the property, significant repairs, etc.), authorization from the Delegated Judge will be required. There is ongoing written and verbal communication between the Delegated Judge and the judicial administrator.*

*In cases where the ANBSC intervenes, as mentioned, this entity replaces the judicial administrator.*

*After definitive confiscation, for preventive and extended confiscations, the ANBSC handles matters either with its personnel or by appointing a coadjutor who manages the necessary arrangements. For other confiscations, the Execution Judge intervenes, who communicates with the judicial administrator appointed during the proceeding or appointed during the execution phase.*

### **Specifically, during the seizure:**

- *Money and financial assets (stocks, bonds, etc.) are deposited or kept at the Single Justice Fund (FUG) managed by an entity called Equitalia giustizia, wholly owned by the Ministry of Finance and Economy (art. 104-bis, paragraph 1, implementing provisions of the c.p.p.);*

- *Movable assets (including valuable paintings, jewelry, etc.) are stored in various ways to ensure their best preservation and minimal expense (for example, valuable paintings are kept in museums). Sale may be ordered if storage is costly or even destruction if the goods are perishable (art. 40, paragraph 5-bis, CA, applicable to every form of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.);*
- *Registered movable assets, by judicial decree, can be entrusted to the police forces and other public bodies (art. 40, paragraph 5-bis, CA applicable to every form of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.). Otherwise, they are kept in custody, possibly without expenses (for example, in a seized garage). Sale may be ordered if storage is costly or even destruction if perishable like movable goods;*
- *Real estate, by a Judge's order (art. 40 CA, applicable to every form of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.): o is entrusted to the subject of the order, if it is their only residence. They must bear all management expenses and, sometimes, pay an occupation fee; o remains with legitimate tenants (or renters) who pay the rent to the judicial administrator; o if vacant, are rented out (and the rent paid to the judicial administrator) or provided for free use to third-sector entities and associations that can obtain them after definitive confiscation; o can be sold, if absolutely necessary, as an act of extraordinary administration authorized by the Delegated Judge;*
- *Companies and businesses with social participation shares seized entirely or by a majority: o are directly managed by the judicial administrator (the companies) or by the corporate bodies renewed by the judicial administrator and under his control. To simplify management, it is possible to lease the companies or branches of business (art. 41 CA applicable to every form of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.); o specific measures are in place to assess the possible continuation of activities, otherwise cessation is ordered (art. 41, paragraph 1-quinquies et seq. CA applicable to every form of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.); o includes: financial instruments for management and enhancement (art. 41-bis CA), special monitoring and assistance bodies at prefectures (art. 41-ter CA), and support modalities (art. 41-quater);*
- *Minority social participation shares allow the judicial administrator only to exercise the related rights (art. 41, paragraph 6, CA, applicable to every form of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.).*

***Specifically, after definitive confiscation, until the final destination, the ANBSC provides as indicated for seized assets, or the Execution Judge intervenes where the ANBSC has no jurisdiction.***

4. Are there any international or interagency collaborations aimed at improving the management of assets frozen or confiscated under the REG?

*Currently, there are no established collaborations; it is handled on a case-by-case basis with significant difficulties. During the process, the judge, with the assistance of the public prosecutor, takes charge. The ANBSC has recently established a specific "service" to monitor seized and confiscated assets located abroad.*

5. How do competent authorities ensure transparency in the management and disposal of frozen or confiscated assets in your country? How are risks of corruption or mismanagement addressed?

*During the seizure, the "guarantor" is the Delegated Judge. When the ANBSC takes over, this public entity, supervised by the Ministry of the Interior and headed by a Director, manages the process. The main resolutions (especially regarding the allocation of assets) are adopted by the Governing Council (see below). Corruption risks are addressed by the Judge and the ANBSC, who select administrators and coadjutors from special registers based on specific requirements (arts. 35, 35.1, and 35.2 CA). The compensation methods for judicial administrators are also regulated (Presidential Decree No. 177/2015). Additionally, the judicial administrator is a public official (art. 35, paragraph 5, CA) with applicable criminal provisions.*

*Mismanagement risks are addressed:*

- *through the previously mentioned methods of selecting administrators and coadjutors;*
- *by requiring an initial report on the seized assets immediately, followed by periodic management reports (arts. 36 and 41 CA);*
- *by requiring the Delegated Judge's authorization for all extraordinary administrative acts; the judicial administrator must provide a management account that must be approved by the Delegated Judge (art. 43 CA); the replacement of the judicial administrator when irregularities or incapacity are detected (art. 35, paragraph 7, CA).*

6. What are the main challenges that competent authorities in your country face in managing confiscated and frozen assets, and how do they tackle them? If possible, make specific reference to goods frozen and confiscated under the REG.

*Italy has a long experience in managing seized and confiscated assets, starting in 1982 with the approval of Law No. 646/1982 (the Rognoni-La Torre Law) and the introduction of preventive confiscation; later expanded with the extended confiscation introduced in 1992-1993.*

*This experience has allowed for the trial of solutions that practical cases required in the absence of specific regulations. Consequently, practices have become established in the administration of seized assets (in large numbers in preventive measures), addressing inevitable critical issues in the presence of seizures and confiscations of entire estates, including properties and businesses. Issues concerning third-party creditors in good faith proposed in preventive measures and*

*investigated/accused in criminal proceedings who suffered the confiscation of their entire estate and were thus no longer able to fulfill their debts have also had to be addressed. Practices formed by the Delegated Judges of prevention have been gradually regulated and then extended to extended confiscation, so much so that the management discipline of assets seized in prevention has become the "typical" discipline for every form of seizure-confiscation (most recently with Legislative Decree No. 14/2019, which came into force on July 15, 2022). The amendments introduced by Law No. 161/2017, for example, provided:*

- *the early allocation of seized assets, which, despite numerous criticisms, ensures that these assets are not deteriorated during the proceeding;*
- *forms of support for businesses to avoid frequent liquidation during the seizure. Italian legislation on the management and allocation of seized and confiscated assets benefits (positively) from: a) laws that are periodically updated, also based on good practices; b) the specialization, particularly of the Delegated Judges in the prevention process; c) the introduction (since 1996) of the principle of reusing confiscated real estate for social purposes, effectively extended also to registered movable assets and partly to movable assets and businesses; d) the establishment of the ANBSC (since 2010) which, however, due to scarce resources, has gradually begun to perform the complex tasks entrusted to it.*

*The challenges to be addressed can be identified:*

- *in accelerating the processes, reducing the management time of seized assets;*
- *in improving provisions on provisional assignments during the seizure process (see above);*
- *in increasing the functionality of the ANBSC;*
- *in increasing controls on the correct use of definitively confiscated and allocated assets;*
- *in constant assistance from third-sector associations to allow the broadest allocation of real estate assets for social purposes;*
- *in greater coordination at the regional level of municipalities, particularly small ones, unable to propose reuse projects for confiscated assets, also ignoring the possibilities of appropriate funding.*

7. What procedures are followed for the sale or disposal of frozen and confiscated assets? What criteria are used to decide whether to sell or reuse an asset?

*For seized assets, the regulation generally provides for the management of the asset. The sale or destruction of assets is foreseen in residual cases (arts. 37 and 40 CA applicable to all forms of seizure per art. 104-bis, paragraphs 1-bis and 1-quater c.p.p.):*

- *It is arranged with the authorization of the Delegated Judge at the request of the custodian or the judicial administrator, or (from the second-degree confiscation) by the ANBSC (in this case, a mere "clearance" is sufficient, which implies greater responsibility for the ANBSC);*

- *The following are evaluated: the possible deterioration of the asset and, therefore, the greater convenience of the sale; the excessive cost of preservation or management; the impossibility of managing the business and, therefore, the opportunity to liquidate or sell it;*
- *The method of sale is not regulated, but general principles of transparency (adequate publicity) and convenience apply. The sale is executed by the same judicial administrator or with delegation or entrusted to a Judicial Sales Institute or other institutions that ensure transparency. The provisions on sale procedures in the context of movable or immovable execution are sometimes analogously referred to;*
- *In any case, specific information is obtained, through the judicial police, to verify that the buyer is not operating on behalf of the person subject to confiscation or a related person or company.*

*After definitive confiscation: a) **Preventive and Extended Seizure-Confiscation and Other Serious Crimes:** The regulation is contained in the CA in detail (art. 48 CA):*

- *For movable assets, including registered ones, the primary aim is their allocation, particularly for registered movable assets, to public entities in favor of police forces, third-sector associations (see below). If this allocation is impossible, they are sold (or demolished);*
- *Immovable assets are generally not sold and are allocated:*
  1. *To the State's assets for public purposes (e.g., judicial offices, ministerial offices, barracks of the Carabinieri, State Police, Financial Guard, etc.) (art. 48, paragraph 3, letter a), CA);*
  2. *Transferred for institutional or social purposes (residually for economic purposes, with the constraint of reinvesting the proceeds for social purposes) primarily to the unavailable assets of the municipality where the property is located, or to the unavailable assets of the province, metropolitan city, or region. These entities can: either use the asset directly (e.g., municipal offices); or allocate it, based on a specific agreement, on a free concession basis and respecting the principles of transparency, adequate publicity, and equal treatment, to third-sector associations (e.g., anti-violence centers, centers for women victims of trafficking, centers for people with disabilities, recovery from addictions, etc.);*
  3. *Allocated, free of charge, directly by the ANBSC to the entities or associations indicated;*
  4. *Retained in the State's assets and, with prior authorization from the Minister of the Interior, used by the ANBSC for economic purposes;*
  5. *Sold, through a rigorous regulation that prevents the return to the person who suffered the confiscation if they cannot be allocated as indicated (art. 48, paragraphs 4-bis, et seq. CA);*
  6. *Sold if necessary to pay third-party creditors (arts. 60 and 61 CA);*
- *Companies (art. 48, paragraph 8 et seq., CA):*
  1. *Are allocated for lease, when there are reasonable prospects of continuation or resumption of productive activity, at a charge;*

2. *For free use, without charges to the State, to cooperatives of employees of the confiscated enterprise;*
3. *For sale;*
4. *For liquidation, if there is greater public interest utility.*

**b) Other Forms of Confiscation:** *Unless specific provisions apply, the assets are sold, also with delegation to professionals in the manner provided in the civil execution procedure (art. 86-bis implementing provisions c.p.p.).*

8. Describe the process of selling confiscated assets. What sales methods are used (public auctions, private sales, online sales, etc.)? How is the selling price of confiscated assets determined?

*The provisions outlining the methods of sale, after definitive confiscation, are as follows:*

- *Art. 48, paragraph 1, letter b) CA, provides for the sale by ANBSC of movable and registered movable assets "also through private negotiation";*
- *Art. 48, paragraph 5, CA, allows ANBSC to sell real estate that could not be allocated for public purposes by applying the rules for the sale provided in the procedure for real estate execution governed by the civil procedure code, with some specificities. The price is determined based on the appraisal from the judicial administrator's report or through a specific appraisal by experts;*
- *Art. 60, paragraph 2, allows ANBSC to sell assets (to pay creditors in good faith) through competitive procedures based on the appraised value contained in the judicial administrator's report or a specific expert appraisal;*
- *Art. 86 implementing provisions c.p.p. (for other forms of confiscation) mandates the registry of the Execution Judge to carry out sales, possibly involving professionals, applying the rules for real estate execution in the civil procedure code.*

*During the proceeding, the sale constitutes an act of extraordinary administration authorized by the Judge, who indicates the procedures to be followed, ensuring transparency, publicity, and equal treatment.*

9. What is the average time between the confiscation of an asset and its sale?

*There are no official statistics available. It can be estimated that ANBSC, in the limited cases where it proceeds with the sale, acts quickly if creditors need to be paid; in other cases, it may take years as the allocation procedure described earlier must be completed first. The registries of the Execution Judge operate within limited timeframes for movable and registered movable assets; however, for real estate and companies, it can take years, also considering a regulatory gap only recently filled with Legislative Decree No. 150/2022.*



10. How are the proceeds from the sale of confiscated assets managed? If possible, make specific reference to goods frozen and confiscated under the REG.

*The proceeds from the sale of confiscated (but also seized) assets are deposited into the Single Justice Fund (Fug) (see above).*

11. Have there been cases where assets frozen or confiscated under the REG have been used for the benefit of the community? Could you provide some examples?

*There is only one known case, before the approval of the Regulation, where there was an agreement between Italy and France whereby Italy waived 50% of the possible proceeds from the sale of a property, and France acquired the entire property (located in central Paris) with the commitment to allocate it to women victims of trafficking. The property was assigned by France to the Association L'amicale du Nid and is currently in use.*

12. Are there specific procedures for transferring confiscated assets to public bodies or non-profit organizations?

*See response 7 above, referring to third-sector associations as non-profit organizations.*

13. What are the main challenges in reusing confiscated assets, and how are they addressed?

*Focusing on preventive and extended seizure-confiscations, which represent most confiscations and where the reuse of real estate for social purposes is mandatory, the following recommendations can be summarized:*

- *Accelerate preventive (averaging 4 years) and criminal (much longer) proceedings, and during this period, incentivize the provisional allocation of real estate and the leasing of companies, even planning their definitive allocation. To this end, the assistance of ANBSC from the moment of seizure needs to be increased, as it is a national body with an overall view of seized assets and their subsequent allocation.*
- *For seized real estate, specifically, increase provisional allocations (generally after first-degree confiscation, when the seizure attains initial stability as first-degree confiscation is decreed with full defense rights) arranged by the Delegated Judge with the assistance of ANBSC to plan their allocation in the event of definitive confiscation. For the better functioning of this action, which is yielding good results, a legislative amendment is needed to provide for possible*

*compensation to the provisional assignee in the event of seizure revocation (to recover expenses incurred) and a procedure that, while maintaining transparency and equal treatment, facilitates definitive allocation to the provisional assignee (currently not regulated);*

- *For companies, expedite the verification of their ability to remain operational in a "legalized" market. Experience shows that at least 50% of companies (individual or collective enterprises) are unable to operate legally either because they are inherently criminal enterprises (e.g., constant false invoicing or money laundering) or because they cannot operate with the costs of legality (compliance with collective labor agreements, various regulatory requirements, tax payments, etc.). For those that can continue operations, increase support, particularly in the initial phase when it is necessary to replace the individuals subject to seizure, engage with suppliers and credit institutions, and evaluate organizational methods;*
- *Continue strengthening the ANBSC to enable it to fully perform its complex tasks.*

14. What types of confiscated assets are commonly allocated for social reuse (e.g., real estate, vehicles, technological goods)?

**Movable Assets** *Although there is no specific regulation (except for certain valuable works of art), the ANBSC has decided to use numerous artworks for itinerant "legality exhibitions" at museums to highlight for the public the recovery of assets seized from criminal organizations and returned to society. There is also an ongoing project to loan these artworks to museums for extended periods, with the commitment to publicize their confiscation origins during exhibitions.*

**Registered Movable Assets** *These can be used by the ANBSC for institutional activities or allocated to other state bodies, territorial entities (municipalities, metropolitan cities, regions), or third-sector entities. They are primarily allocated to the National Fire Brigade for trucks, work vehicles, machinery, forklifts, and other special use vehicles for public rescue purposes (arts. 12 and 12-bis CA).*

**Companies** *Legislation ensures solutions that maintain employment levels and prioritizes the allocation to cooperatives of workers from the confiscated companies (art. 48, paragraph 1, letter a) CA).*

**Real Estate** *In Italy, thanks to Law No. 109/1996 (now incorporated into the CA), the reuse of confiscated real estate for social purposes is prioritized and mandatory. This choice was determined by the desire to demonstrate that the confiscated property, acquired illegally by often mafia-type criminal organizations and recovered by the state through lawful means, is returned to the community, primarily to the municipality that suffered the most from the criminal activity (Constitutional Court rulings nn. 34 and 234 of 2012). Criminal investigations have repeatedly confirmed that criminal organizations resent the confiscation of property because it signifies a loss of credibility in the community and demonstrates the state's ability to intervene. This overall positive experience (despite some inevitable challenges) has enabled a large number of properties to be repurposed for social use, facilitating the activities of third-sector associations. There are*



*numerous successful examples of confiscated properties used by the state and public entities (offices, barracks, housing for police, Carabinieri, Financial Guard employees, judicial archives, emergency housing, migrant accommodation, etc.) and allocated to third-sector associations (anti-violence centers, anti-trafficking associations, centers for people with disabilities, poverty-fighting organizations, etc.). The experiences with lands assigned to cooperatives, which now constitute a reference point for the "economic value" that confiscated assets can acquire while combating crime, particularly mafia-type crime, are also noteworthy (see the site <https://liberaterra.it/>).*

15. Which entities or organizations are involved in deciding and implementing the social reuse of confiscated assets?

*The decisions are within the competence of the ANSBC Governing Council, chaired by the Director, composed (art. 111 CA) of: a) A magistrate designated by the Minister of Justice; b) A magistrate designated by the National Anti-Mafia and Counter-Terrorism Prosecutor; c) A representative of the Ministry of the Interior designated by the Minister of the Interior; d) Two qualified experts in business and asset management designated jointly by the Minister of the Interior and the Minister of Economy and Finance; e) A qualified expert in European and national funding projects designated by the Presidency of the Council of Ministers or the Minister delegated for cohesion policy. The Advisory Steering Committee, chaired by the Director of the Agency, also plays a role, composed (art. 111 CA) of: a) A qualified expert in territorial cohesion policy, designated by the Department for Cohesion Policies; b) A representative of the Ministry of Economic Development, designated by the same Minister; c) A representative of the Ministry of Labor and Social Policies, designated by the same Minister; d) A manager of the National Operational Program "Security" funds, designated by the Minister of the Interior; e) A representative of the Ministry of Education, University and Research, designated by the same Minister; f) A representative of the regions, designated by the Conference of Regions and Autonomous Provinces; g) A representative of the municipalities, designated by the National Association of Italian Municipalities (ANCI); h) A representative of associations eligible to receive or be assigned confiscated assets, as per art. 48, paragraph 3, letter c), designated by the Minister of Labor and Social Policies based on criteria of transparency, representativeness, and six-monthly rotation specified in the appointment decree; i) A representative of the most representative national trade unions, a representative of cooperatives, and a representative of employers' associations, designated by their respective associations. Representatives of territorial entities where the seized and confiscated assets are located may also be invited to participate in meetings.*

16. What is the process for oversight and control to ensure that assets are used appropriately and effectively once assigned for social reuse?

*According to art. 112, paragraph 4, CA, the ANSBC:*

- *Verifies the use of assets by private entities and public bodies, in accordance with the allocation and destination provisions. It continuously and systematically checks, with the help of prefectures-territorial offices of the government and, if necessary, police forces, the conformity of asset use by private entities and public bodies with the allocation and destination provisions. The prefect reports semi-annually to the Agency on the outcomes of the checks conducted;*
- *Revokes the allocation and destination provision in cases of non-use or misuse of the asset relative to the indicated purposes and other cases provided by law. The verification of the correct allocation of assets is currently underway.*

17. How is the maintenance and insurance of confiscated assets managed during their use for social purposes?

*The responsibility is attributed to the recipient of the asset. The ANSBC controls as indicated in the previous response.*

18. Have there been any successful or unsuccessful cases of social reuse of confiscated assets that could provide lessons for improving future practices?

*There are numerous successful cases, demonstrating that several factors are necessary for a successful outcome:*

- *Maintaining the asset in good condition during the proceeding, if possible, through provisional allocation;*
- *Accelerating the process times;*
- *Concrete intervention by the ANSBC from the moment of seizure and fully from the second-degree confiscation;*
- *Completing procedures that allow for the rapid allocation of confiscated assets (the asset cannot be allocated if the so-called credit verification, arts. 52 et seq. CA, to determine if the assets should be sold to pay creditors in good faith, is not completed);*
- *Careful work by the ANSBC in proposing assets to entities, encouraging their request for allocation;*
- *Optimal coordination among public entities that can request the asset;*
- *Constant attention from third-sector associations in taking charge of social reuse projects for confiscated assets. There are numerous positive experiences in Italy, which are challenging to summarize. Some are visible on the ANSBC website; the Liberaterra website is also recommended.*

*There are also negative cases, and the critical issues can be summarized (with related solutions) as follows:*

- *Inadequate preparation of the recipient entities (municipalities) unable to manage them. Establishing a regional support office would be useful;*
- *Inadequate preparation of the associations that received the asset, also due to a lack of external support;*
- *In some cases, inadequate local monitoring has resulted in significant, unsustainable damage for the recipient associations.*

19. Considering the specific vulnerabilities of female victims in cross-border crimes, what measures are in place to ensure that women's rights to compensation and restitution are prioritized in the management of frozen and confiscated assets?

*There is no specific regulation. However, the ANSBC prioritizes the allocation of real estate assets functional to the usage needs in the indicated cases.*

20. Do you have any proposals for the harmonization of EU MS legislation on the management and social reuse of frozen and confiscated assets?

*Following the approval of Directive 1160/2024, Italian legislation found full confirmation in Recital 38, which precisely reflects the reasons that led Italy to approve and implement specific regulations on the social reuse of confiscated assets. The encouragement "to adopt the necessary measures to enable the use, where appropriate, of confiscated assets for public interest or social purposes" contained in art. 19 should be monitored and, as far as possible, incentivized with a specific resolution of the European Parliament and also the European Council.*

21. Could you provide us with potential guidelines regarding the management and social reuse of frozen and confiscated assets?

*There are numerous ANSBC documents available on its website  
<https://www.benisequestraticonfiscati.it/tag/linee-guida/>:*

- *Guidelines for the administration aimed at the allocation of seized and confiscated real estate of October 1, 2019, which simplifies the process of allocating confiscated assets, addressing the varied aspects of this complex procedure, including the recent amendments to the Anti-Mafia Code, including those related to the direct allocation to third-sector associations;*
- *Guidelines for the allocation of registered movable assets of August 6, 2020, which provide: preference for allocation to judicial phase assignees, pursuant to art. 40, paragraph 5-bis; distinction between*

*special vehicles functional to public rescue needs and other registered assets; standardized and simplified procedural methods.*

22. Do you have any further reform proposals, at a national or international level, concerning the management and social reuse of frozen and confiscated assets?

*Refer to the national legislation discussed. For international regulations, the priority should be to implement Directive 1160/2024. It would be useful to establish a "permanent consultation table" to monitor existing legislation in EU countries and their implementation.*

23. Considering the provisions of the new [Directive \(EU\) 2024/1260](#) on “asset recovery and confiscation”, how effective do you find the new measures regarding the management and social reuse of confiscated assets? Are there aspects of the directive that could be improved or implemented differently?

*Priority should be given to implementing Article 22, Office for Asset Management, to facilitate an effective exchange of information and implementation of the new provisions.*