

RECOVER – Mutual recognition of freezing and confiscation orders between efficiency and the rule of law (GA 101091375)

D5.2 – Guidelines & reform proposals (Deliverable no. 14)

Project funded by the European Union. Views and opinions expressed are however those of the authors only and do not necessarily reflect those of the European Union. The European Union cannot be held responsible for them.

Table of Contents

1. Questionnaire for the partners	4
1.1. Section 1 – Asset Recovery Offices (AROs): Structure and Activities	4
1.2. Section 2 – The Management and the Social Reuse of Frozen and Confiscated Assets	6
1.3. Section 3 – Victims’ rights to compensation and restitution in cross-border confiscation and third parties’ rights	9
2. Guidelines for ARO’s activities and the Management of Frozen and Confiscated Assets	12
2.1. Introduction	12
2.1. Guidelines.....	12
3. Reform Proposals for ARO’s activities and the Management of Frozen and Confiscated Assets ..	15
3.1. Introduction	15
3.2. Reform Proposals.....	15
4. Proposals for Harmonization related to ARO’s activities and the Management of Frozen and Confiscated Assets	17
4.1. Introduction	17
4.2. Proposal for Harmonization	18
5. Comments by Partners and Proposal for Harmonization related to the new Directive on “Asset Recovery and Confiscation” (Directive (EU) 2024/1260).....	20
5.1. Introduction	20
5.2. Comments by Partners and Proposal for Harmonization related to the new Directive on “Asset Recovery and Confiscation” (Directive (EU) 2024/1260)	21
6. Policy recommendations on ARO’s activities and the Management of Frozen and Confiscated	
6.1. Introduction	23
6.2. Policy Recommendations.....	24





RECOVER Project (GA no. 101091375)

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

1. Questionnaire for the partners

1.1. 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?
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.
3. What are the main activities undertaken by your ARO in applying the REG (e.g., asset tracing, investigative support, international coordination)?
4. What are the biggest challenges your ARO faces in the application of the Regulation, and how are these addressed?
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)?
6. How does your ARO collaborate with AROs from other EU member states in applying the REG? Please provide examples and data if available.
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?
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?

1.2. 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.
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?
3. How do competent authorities maintain the value of confiscated and frozen assets, especially for items requiring specific measures to prevent degradation?
4. Are there any international or interagency collaborations aimed at improving the management of assets frozen or confiscated under the REG?
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?
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.
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?
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?
9. What is the average time between the confiscation of an asset and its sale?

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.
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?
12. Are there specific procedures for transferring confiscated assets to public bodies or non-profit organizations?
13. What are the main challenges in reusing confiscated assets, and how are they addressed?
14. What types of confiscated assets are commonly allocated for social reuse (e.g., real estate, vehicles, technological goods)?
15. Which entities or organizations are involved in deciding and implementing the social reuse of confiscated assets?
16. What is the process for oversight and control to ensure that assets are used appropriately and effectively once assigned for social reuse?
17. How is the maintenance and insurance of confiscated assets managed during their use for social purposes?
18. Have there been any successful or unsuccessful cases of social reuse of confiscated assets that could provide lessons for improving future practices?
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?
20. Do you have any proposals for the harmonization of EU MS legislation on the management and social reuse of frozen and confiscated assets?



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

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?

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

24. 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?

1.3. Section 3 – Victims’ rights to compensation and restitution in cross-border confiscation and third parties’ rights

1. What national laws or regulations govern the rights of victims to compensation and restitution in cross-border confiscations?
2. Are there bilateral/multilateral agreements that your country utilizes to facilitate compensation and restitution for victims in cases of cross-border confiscation?
3. How is the eligibility of victims determined to receive compensation or restitution? What criteria are used?
4. What is the process for victims to request compensation or restitution?
5. What are the main challenges that victims face in receiving compensation or restitution in cases of cross-border confiscation?
6. Which entities or organizations are responsible for assessing and processing victims' claims for compensation or restitution?
7. How are conflicts of law or legal complications that may arise during the process of cross-border compensation or restitution managed?
8. Have there been cases where victims have struggled to obtain justice due to linguistic, cultural, or legal barriers? How were these handled?
9. What measures are in place to ensure that victims are informed of their rights and the process for claiming compensation or restitution in cross-border confiscation?
10. What is the success rate of cross-border compensation or restitution claims for victims in your country?

11. Are there any initiatives or future plans to enhance the rights of victims to compensation and restitution in cross-border contexts?
12. What procedures are in place to identify and protect the rights of third parties before the seizure or confiscation of an asset?
13. How is the claims process handled by third parties who believe they have legitimate rights to seized or confiscated assets?
14. Are there specific mechanisms to ensure that third parties are promptly informed of the seizure or confiscation of assets that may concern them?
15. What appeal rights are available to third parties who are dissatisfied with decisions regarding seized or confiscated assets?
16. Have there been cases where the rights of third parties have been recognized after the confiscation of the asset? What was the procedure followed to return the asset or compensate the third party?
17. Do authorities in your country promote the social reuse of confiscated assets to support services and programs specifically aimed at women affected by crime? Can you provide examples of such initiatives?
18. Do you have any proposals for the harmonization of EU MS legislation on the victims' rights to compensation and restitution and third parties' rights?
19. Could you provide us with potential guidelines regarding the victims' rights to compensation and restitution and third parties' rights?
20. Do you have any further reform proposals, at a national or international level, concerning the victims' rights to compensation and restitution and third parties' rights?



21. Do you have any further policy recommendations, at a national or international level, concerning the victims' rights to compensation and restitution and third parties' rights?

22. Does the approach outlined in the new [Directive \(EU\) 2024/1260](#) on “asset recovery and confiscation” effectively address the rights of victims, particularly regarding compensation and restitution? If not, what gaps or challenges do you foresee, and how could they be addressed?

2. Guidelines for ARO's activities and the Management of Frozen and Confiscated Assets

2.1. Introduction

The guidelines emphasize the necessity of granting AROs complete access to national registers such as accounts, company, and real estate registers. This access is crucial for facilitating direct database searches that enhance investigative capabilities. To further support law enforcement, the implementation of advanced investigative tools is advocated to ensure timely coordination among various authorities along with continuous training. Additionally, the establishment of central registers for managing confiscated assets and a robust legal framework for Asset Management Offices (AMOs) is suggested.

Further recommendations focus on fostering a cohesive approach to asset recovery through the promotion of international cooperation via regional networks and enhancing legal coordination between European Investigation Orders (EIOs) and asset management processes. Simplifying the compilation of legal documents and promoting the use of standardized forms is proposed to improve the clarity of communication between authorities and enhance the efficiency of freezing and confiscation processes. Moreover, allowing the provisional use and reuse of seized assets by law enforcement, which includes the direct delivery of perishable goods to non-profit entities, is aimed at optimizing asset utilization and reducing maintenance costs. Lastly, it is recommended to ensure timely assessments of asset value and to evaluate the strategic sale of assets during criminal processes to prevent asset depreciation and streamline legal proceedings.

2.1. Guidelines

1. **Comprehensive Access to National Registers:** Ensure full access for AROs to national registers, including account, company, and real estate registers, to facilitate comprehensive and direct database access (Germany).
2. **Law Enforcement Training and Information:** Ensure the information and continuous training of law enforcement agents through maintained websites, national publications, and specialized courses (Netherlands).
3. **Central Registers for Asset Management:** Highlight the importance of central registers for managing confiscated assets. Utilize a centralized system akin to 'track and trace' for seized assets, where the police, Public Prosecution Office, and Movable Goods Agency all record decisions and actions (Netherlands).

4. **Legal Framework for Asset Management Offices:** Establish a strong legal framework to ensure the effectiveness of AMOs. Define clear roles, responsibilities, and powers through extensive legal consultations and amendments. Foster effective cooperation and coordination among fiscal authorities, law enforcement, and judicial bodies. Ensure adequate funding and resources for AMO operations, including specialized staff, IT infrastructure, and physical storage facilities for seized assets (Romania).
5. **Direct Contacts:** Establish direct contacts between issuing and executing authorities to clarify the content of the request, particularly important due to potential language barriers and differences in legal procedures (Netherlands).
6. **Regional Cooperation Networks:** Promote international cooperation through the AMO network and through regional bodies such as the Balkan Informal Interagency Asset Management Network (BAMIN), which facilitates the exchange of experiences and good practices in asset management and fosters cooperation between member countries (Bulgaria).
7. **Legal Coordination:** Ensure coordination between the EIO and subsequent freezing and confiscation certificates during the execution phase. The current domestic legal framework does not clearly provide for this, necessitating legal clarification or the development of clear guidelines, potentially through a Handbook or other soft-law documents. These should aim to harmonize the practical application of transposing the domestic implementation of Directives 2014/41 and 42, along with the new Directive 2024/1260, with Regulation 2018/1005, which is directly applicable (Spain).
8. **Simplification of Documentation:** Simplify the compilation of freezing or confiscation certificates by specifying the information required for each part, according to the relevant national legislation. The Public Prosecution Service or investigative services employees typically draft these certificates, and the process is often seen as complicated (Netherlands).
9. **Utilization of Additional Forms:** Encourage the use of additional forms to the freezing or confiscation certificates, which include acknowledgment of receipt, notifications of forwarding freezing orders to other authorities, recognition of the freezing orders, and forms detailing the seizure of objects and their estimated value. These forms aim to facilitate clear and efficient communication between issuing and executing authorities, enhancing the management and execution of freezing and confiscation decisions (Netherlands).

10. **Enhancing Visibility and Recognition of AROs/AMOs:** Implement a comprehensive strategy to raise the profile and public understanding of AROs and AMOs. This strategy should include targeted communication campaigns, collaboration with media outlets, and engagement with civic organizations (Spain).
11. **Provisional Use and Reuse of Seized Assets:** Allow the provisional use of seized and frozen items and assets by law enforcement authorities when it has been previously authorized by a judicial authority in the pre-trial phase. This could also include the direct delivery of perishable goods or low-value items to non-profit entities or public administrations (Spain).
12. **Timely Assessment of Asset Value:** Ensure a prompt decision regarding the probative value of the asset so as not to slow down procedures. This is crucial for managing assets effectively until a forfeiture decision is reached (Portugal).
13. **Information Dissemination:** Develop and maintain a robust system for informing all relevant national authorities about the status and availability of confiscated assets in Bulgaria. This system should include the creation of a publicly accessible register that is regularly updated.
14. **Specific Resources for Police Training on Seized Assets:** Separate specific training on the management of seized assets from general law enforcement training, introducing dedicated training modules and resources to improve proficiency in tracking and managing seized assets (Netherlands).
15. **Internal Communication Protocols for AROs:** Develop specific internal communication protocols for AROs to improve information sharing and efficiency in the processes of freezing and confiscating assets. This aims to standardize internal communication procedures to ensure consistent and timely management of asset recovery actions (Netherlands).
16. **Regular Review and Update of Central Registers:** Pursuant to Art. 27 of the New Directive 2024/1260 on asset recovery and confiscation, implement a policy of regular review and update of central registers of seized assets. This measure will ensure that the information is always current and accurately reflects the status of managed assets, facilitating quick and informed decisions during the confiscation process (Netherlands).

3. Reform Proposals for ARO's activities and the Management of Frozen and Confiscated Assets

3.1. Introduction

The proposed reforms aim to enhance the efficiency and effectiveness of AROs and AMOs across several dimensions. Firstly, there is an emphasis on ensuring that information exchanged between AROs can be used in court, addressing current legal barriers that prevent its utilization. This is intended to facilitate the legal process and enhance the credibility of evidence. Additionally, the proposals focus on enhancing the direct delivery and efficiency of freezing and confiscation orders to minimize delays and facilitate quicker asset recovery.

The establishment of dedicated platforms for better collaboration and knowledge exchange among AROs and AMOs is also highlighted. These platforms would serve as hubs for sharing best practices, strategies, and updates, fostering a more cohesive approach to asset recovery across the EU. A clear definition of the roles and powers of AROs is proposed to enable more proactive and effective operations. This would involve delineating the responsibilities and authority of AROs to ensure they are well-equipped to undertake their duties. The development of a multidisciplinary approach within AROs is advocated to enhance the collection and management of assets. This would involve integrating various expertise and resources to handle the complex nature of asset recovery more effectively.

Creating legislative frameworks to support the social reuse of confiscated assets is another significant proposal. This aims to ensure that confiscated assets benefit society and do not remain idle, thus contributing to community development and social welfare.

Lastly, facilitating faster and more effective cross-border asset confiscation and restitution to victims is proposed. This would streamline the process of returning assets to rightful owners and compensating victims, thereby enhancing the justice delivery system.

3.2. Reform Proposals

1. **Court Usability of Information:** *Pursuant to Art. 9(4) of the New Directive 2024/1260 on asset recovery and confiscation, the information exchanged among MS should be usable in court, addressing issues where data, due to current restrictions or misunderstandings about judicial orders, cannot be used in legal proceedings (Germany).*

2. **EU Platform for AMOs:** Establish a dedicated European Union platform for AMOs similar to the one for AROs, to facilitate international collaboration and exchange of best practices (Netherlands).
3. **Social Reuse of Confiscated Assets:** Work on the legislative framework to support the social reuse of confiscated assets, addressing issues such as mortgages, registration, and occupation by offenders (Portugal).
4. **Legislative Framework for Social Reuse in Romania:** Propose a coherent legislative framework for the social reuse of assets, integrating this concept into a single normative act that would regulate all aspects of this matter (Romania).
5. **Implementation Guidelines for Social Reuse:** Develop a detailed set of implementation guidelines for the social reuse of assets. These guidelines would provide step-by-step procedures for local authorities and stakeholders on how to apply the legislative framework effectively, ensuring that the objectives of the framework are met efficiently (Romania).

4. Proposals for Harmonization related to ARO's activities and the Management of Frozen and Confiscated Assets

4.1. Introduction

The harmonization proposals emphasize a cohesive approach to asset management and recovery across the European Union. Key initiatives include advocating for the establishment of a specialized AMOs in each Member State to improve efficiency and address fragmentation. Additionally, the proposals address jurisdictional complexities in cross-border compensation or restitution cases, aiming to simplify processes and reduce bureaucratic delays for victims.

Strengthening the legal framework to enhance cooperation with the European Public Prosecutor's Office (EPPO) is emphasized to facilitate better coordination and asset tracing. This includes mandating direct access for all AROs to crucial databases to prevent asset dissipation and improve the speed of recovery operations.

Other significant proposals include ensuring that information provided by AROs can be used as legal evidence in court proceedings without additional authorization, thus speeding up judicial processes. The establishment of secure communication channels like SIENA is recommended for efficient and secure information exchange. Furthermore, firm deadlines for information exchange are proposed to expedite asset recovery processes, along with empowering AROs to take immediate action in cases of imminent asset dissipation risk.

On a broader scale, a national asset recovery strategy is suggested to prioritize crime prevention and the recovery of crime proceeds. The establishment of a centralized EU body to oversee and streamline cross-border compensation and restitution processes is recommended to ensure uniform application of laws. Enhancing victim support services and launching public awareness campaigns, coupled with digital platforms for managing compensation claims, are also part of the proposals to provide comprehensive support to victims across the EU.

Regular legislative review and monitoring mechanisms are suggested to adapt to emerging challenges and protect rights. Standardizing the structure, competences, and powers of AROs across all Member States would ensure that intelligence gathered is admissible as evidence in judicial proceedings. Additionally, enhanced access and enforcement powers for AROs are proposed, such as the ability to block bank accounts to combat financial crimes more effectively.

International information exchange enhancements are proposed to expand the scope of information exchange to be as comprehensive internationally as it is nationally. The unrestricted information sharing among AROs is also highlighted to facilitate more efficient judicial processes. Strengthening exchanges with non-EU countries is emphasized to enhance global cooperation in asset recovery efforts.

4.2. Proposal for Harmonization

1. **Address Jurisdictional Issues in Compensation or Restitution Cases:** Tackle the jurisdictional complexities that arise in cross-border compensation or restitution cases, simplifying processes and reducing bureaucratic delays for victims (Romania).
2. **Mandatory Establishment of AROs and AMOs:** Ensure that each EU Member State has at least one ARO and one AMO to standardize asset recovery operations across the union (Romania).
3. **Enhance Cooperation with EPPO:** Strengthen the legal framework for all AROs to cooperate effectively with the European Public Prosecutor's Office (EPPO), facilitating better coordination and asset tracing (Romania).
4. **Direct Access to Databases:** Mandate direct access for all AROs to crucial databases to prevent asset dissipation and enhance the speed and effectiveness of asset recovery operations (Romania).
5. **Implement a National Asset Recovery Strategy:** Pursuant to art. 25 of the New Directive 2024/1260 on Asset Recovery and Confiscation, adopt a strategic approach to asset recovery, emphasizing crime prevention and the recovery of crime proceeds as national priorities (Romania).
6. **Improve Victim Support Services:** Encourage all Member States to enhance victim support services, making them accessible to all victims, and include legal, psychological, and financial assistance.
7. **Public Awareness Campaigns and Digital Platforms:** Launch public awareness campaigns and develop a digital platform for managing compensation claims, providing multilingual support and ensuring EU-wide accessibility.
8. **Regular Legislative Review and Monitoring:** Set up mechanisms at the EU level for regular review and updates of harmonized legislation to adapt to emerging challenges and ensure the protection of rights.

9. **Unrestricted Information Sharing Among AROs:** Allow AROs in all Member States to share relevant information without requiring authorization from other national authorities (Bulgaria).
10. **Strengthening Exchanges with Non-EU Countries:** Strengthen international exchanges with non-EU countries to enhance global cooperation in asset recovery efforts.
11. **Handling Intrusive Investigation Tools:** Address the use of intrusive financial investigation tools like account monitoring and wiretapping in the execution phase of cross-border cases, ensuring compatibility with EU directives on proportionality (Spain).
12. **Harmonization of EU Legislation:** Harmonize EU legislation concerning the differences between restitution and compensation, the rights of bona fide third parties, the priority of confiscation, and the interaction between confiscation and bankruptcy procedures to ensure consistency across all Member States (Portugal).
13. **Comprehensive Legal Framework for Victims' Compensation:** Establish a standardized legal framework across all EU Member States to ensure uniform treatment and procedures for victims' compensation and restitution. This framework should define clear and consistent eligibility criteria for victims (Romania).

5. Comments by Partners and Proposal for Harmonization related to the new Directive on “Asset Recovery and Confiscation” (Directive (EU) 2024/1260)

5.1. Introduction

The new Directive on Asset Recovery and Confiscation serves as a critical tool to enhance efficiency and cooperation between AROs, expanding their powers and access in a clearly regulated manner. This expansion is expected to streamline procedures and improve the overall efficacy of asset recovery operations. Additionally, the directive aims to enhance the capability of AROs by providing greater access to information and simplifying data exchange within Europe, which includes facilitating urgent seizures. However, challenges like logistical delays and the need for increased staffing due to rapid response requirements could hinder its implementation.

The directive outlines an expansion in the responsibilities and capabilities of AROs, emphasizing the need for rapid transposition into national laws to fully utilize new operational options like querying bank data. Moreover, the directive sets short deadlines for accessing additional information sources, posing challenges particularly when responses from other institutions are required. The directive also enhances asset management and promotes the social reuse of confiscated assets by defining new procedures to accelerate sales before conviction.

Implementing the directive poses significant resource challenges, especially in regions like Portugal where there is a scarcity of human and material resources necessary for effective legal asset management. Additionally, it considers enhancing cooperation with third states for the restitution of assets to victims, emphasizing the importance of ensuring that assets can be returned to compensate victims or restore them to their rightful owners.

The directive addresses the need for improved coordination among AROs, the Prosecutor’s Office, and police authorities, particularly addressing challenges encountered by police field units in implementing guidelines. Ensuring respect for communication time limits between AROs is emphasized to maintain the effectiveness of cross-border cooperation. Lastly, the directive makes significant advancements in recognizing victims' rights to compensation and restitution, though gaps in the timely distribution of recovered assets necessitate establishing clear timelines and streamlined procedures for asset distribution.

5.2. Comments by Partners and Proposal for Harmonization related to the new Directive on “Asset Recovery and Confiscation” (Directive (EU) 2024/1260)

1. **Enhanced Efficiency and Cooperation:** The judicial ARO views the new directive as a significant enhancer of time efficiency and inter-ARO cooperation by expanding and clearly regulating their powers and access. This is expected to streamline procedures and improve the efficacy of asset recovery operations (Germany).
2. **Increased Role and Visibility in Domestic Proceedings:** ORGA expects the new directive to elevate its role and visibility, facilitating improved collaboration with private and public entities and enhancing the speed and quality of information acquisition. Challenges include stricter response times and mandatory financial investigations for profitable offenses. The directive could allow for immediate actions before a judicial freezing order when there's a risk of asset disappearance (Spain).
3. **Facilitating Effective Seizures:** The directive aims to provide AROs with greater information access and simplify data exchange within Europe, including provisions for urgent seizures. However, implementing a national strategy and central register may face logistical delays. The requirement for rapid response to asset tracing requests within as little as 8 hours could necessitate significant staffing increases, especially during weekends (France).
4. **Streamlining Asset Recovery Operations:** The directive introduces many changes that require careful integration into national law. Lithuania views the mandated access to specific registers positively, yet struggles with obtaining information from other countries. (Lithuania).
5. **Expanding ARO Capabilities and Rapid Implementation:** The directive clearly delineates ARO responsibilities, presenting a significant expansion of their capabilities. Rapid transposition of the directive into national laws is essential for fully utilizing new operational options, such as querying bank data. Introducing a judicial component within AROs would enhance their ability to swiftly coordinate with other authorities for information exchange and order execution (Netherlands).
6. **Expansion of ARO Mandate and Access to Information:** Articles 5 and 6 of the Directive enhance the effectiveness of AROs by expanding their mandate and access to crucial information sources, including bank balances, transactions, and crypto assets. This increased access is expected to improve the tracing of criminal money flows and prevent unnecessary freezing of bank accounts (Netherlands).

7. **Utilization of ARO-Provided Information as Evidence:** Article 9 of the Directive encourages member states to allow information gathered by AROs on assets and transactions to be used directly as evidence, potentially saving significant time in financial investigations compared to the slower processes currently required by EIOs (Netherlands).
8. **Challenges with Short Time Limits for Information Access:** Article 10 imposes very short deadlines for AROs to access additional information sources, presenting a challenge, especially when dependent on responses from other institutions. The directive lacks specific rules on ARO composition and resources, making it difficult to ensure that member states comply with these obligations (Netherlands).
9. **Immediate Action and Freezing Order Limitations:** Article 11 grants AROs the power for immediate action to secure assets but limits this power to 7 working days. The practical challenge of transferring and executing a formal freezing order within this timeframe is exacerbated by some member states not accepting freezing orders in English (Netherlands).
10. **Management of Frozen and Confiscated Assets:** While it is still early in the implementation phase, the directive's provisions for interlocutory sales and the requirement for all member states to establish at least one AMO are expected to positively impact the management of frozen assets in cross-border cases, reducing management costs and increasing revenue from these assets. The directive's flexibility regarding social reuse policies is also viewed positively, allowing member states to tailor approaches to their specific needs (Netherlands).
11. **Resource Challenges for Directive Implementation:** The primary challenge for implementing the Directive in Portugal is the lack of human and material resources necessary for the effective legal management of assets, alongside the political empowerment required for efficient execution (Portugal).
12. **Adequate Staffing for Expanded ARO Capabilities:** In response to the increased powers granted by the new directive, there is a critical need to expand the staffing levels of the ARO to meet these enhanced responsibilities. Currently, the limited staffing is insufficient to fulfill the directive's requirements (Romania).
13. **Addressing Gaps in Victim Compensation and Asset Recovery:** The new Directive on "asset recovery and confiscation" introduces significant advancements in recognizing victims' rights to compensation and restitution. However, there are noticeable gaps, particularly in the timely distribution of recovered assets, which often leaves victims waiting for extended periods. Establishing clear timelines and streamlined procedures for asset distribution could mitigate these delays.

6. Policy recommendations on ARO's activities and the Management of Frozen and Confiscated Assets

6.1. Introduction

The policy recommendations aim to increase the operational capacity of AROs by increasing staffing levels, enhancing continuous capacity building, and offering specialized training programs. These measures are designed to ensure timely processing of inquiries and effective utilization of AROs' expanded powers. Furthermore, the introduction of SIENA as the exclusive platform for information exchange among member states is recommended to replace less secure communication methods like email, thereby ensuring a more efficient and secure process.

Legal and strategic frameworks are also emphasized, with calls for clear and updated beneficial ownership information through an EU-wide register and the establishment of a central contact point for AROs and Asset Management Offices (AMOs). Streamlined procedures for the social reuse of confiscated assets are proposed to facilitate smoother investigative processes and enhance international cooperation.

The recommendations encourage direct actions such as the immediate distribution of perishable goods, granting temporary freezing powers to AROs, and empowering them to negotiate sharing agreements with third-party states. These actions are intended to prevent asset depreciation and bolster international cooperation.

Victim support and asset redistribution are central to the proposals, focusing on enhancing victim support services and improving the efficiency of compensation processes. Specific portions of proceeds from asset sales are suggested to be allocated to crime prevention and victim assistance programs.

To ensure legal compliance and uphold international standards, establishing a clear legislative framework and conducting regular independent audits are recommended. These measures are aimed at promoting consistent legal compliance and transparency, with international recognition of effective practices highlighting the global impact of these initiatives.

Public engagement and awareness are addressed through launching public awareness campaigns, developing a digital platform for managing compensation claims, and maintaining accessible statistics on agency websites. These efforts are designed to enhance public trust and transparency.

Finally, strategic and economic enhancements are suggested, including balanced workload management for asset recovery, economic incentives for asset recovery, and the development of additional coordination documents to facilitate communication between authorities.

6.2. Policy Recommendations

1. **Increase ARO Staffing:** Enhance the capacity of AROs to meet the new deadlines set by Directive 2024/1260, ensuring timely processing of inquiries and effective utilization of expanded powers and responsibilities (Germany).
2. **Clear and Updated Beneficial Ownership Information:** Establish a comprehensive and regularly updated EU-wide beneficial ownership register to ensure transparency and ease of access to essential ownership information, facilitating smoother investigative processes (Spain).
3. **Central Contact Point for ARO and AMO:** Set up a combined contact point for AROs and AMOs to enhance international cooperation in asset freezing and confiscation (Spain).
4. **Enhance Information Exchange:** Strengthen the exchange of information using established channels and specialized platforms such as the SIENA Platform at the EU level, CARIN Network mainly for interactions with non-European countries, and RRAG Platform for connections with Latin American countries (Spain).
5. **Efficient Case Management:** Streamline the management of cases to minimize the interval between the confiscation of an asset and its sale, addressing systemic delays in the legal system to expedite the asset recovery process (Spain).
6. **Allocation of Proceeds:** Allocate specific portions of the proceeds from the sale of confiscated assets to crime prevention and victim assistance programs, ensuring that assets are used to provide substantial support to community safety and victim recovery efforts (Spain).
7. **Verification of Links with Strawmen or Shell Companies:** Intensify efforts to trace assets and uncover potential links between suspects and strawmen or shell companies using extensive database resources. This aims to dismantle complex financial networks and facilitate more effective asset recovery (France).

8. **Confiscation Strategy Advisory by International Advisors:** Ensure early and strategic consultation with international advisors on confiscation strategies during or before investigations. This early involvement is vital for choosing the most effective legal and procedural routes, particularly in cases that involve international cooperation (Netherlands).
9. **Dissemination of Best Practices through the ARO Network:** Utilize the ARO network to share best practices among member states, thus enhancing the collective capability to handle requests for information and manage emergency cases such as freezing orders effectively (Netherlands).
10. **Constant Communication on Procedure Outcomes:** Improve the registration and communication processes related to the outcomes of frozen assets, ensuring timely updates on the execution and results of freezing orders to help mitigate delays and uncertainties in cross-border cooperation (Netherlands).
11. **Increased Awareness and Autonomy of Regulations:** Boost awareness and understanding of the regulations governing asset recovery, particularly emphasizing the differentiation of this framework from other investigative tools such as European Investigation Orders (EIOs). This aims to ensure more direct and effective application of asset recovery laws (Portugal).
12. **Continued Support for National Authorities Through Training and Best Practices:** Strengthen support for national authorities by organizing training sessions on asset recovery, sharing both national and international best practices, and issuing detailed guides on asset recovery processes. Training also includes asset tracing and management with a focus on financial investigations and cryptocurrencies (Romania).
13. **Specificity in Requests to AROs:** Encourage authorities to provide detailed and precise information when making requests to AROs, especially concerning the state in which the assets are located. This will avoid placing undue expectations on the operational capabilities of AROs (Romania).
14. **Regular Asset Evaluations:** Conduct periodic evaluations of assets managed by AMO, approximately every year, using certified external and independent evaluators. This helps prepare assets for public auction by ensuring their value is accurately assessed and documented (Romania).

15. **Ensuring Adequate Selection of Competent Personnel:** Maintain rigorous selection processes for personnel involved in asset tracking and management, focusing on candidates with legal or economic backgrounds, and including those assimilated to judges and prosecutors. This approach ensures that the staff are well-equipped to handle the complexities of asset recovery (Romania).
16. **Introduce Specialized Competencies for Asset Management:** Develop specialized skills and capabilities to manage a diverse range of assets, such as vehicles, virtual assets, art, and jewelry, which pose significant logistical and administrative challenges (Romania).
17. **Overcome Challenges Through Stakeholder Engagement and Training:** Enhance overcoming obstacles in asset recovery by regular meetings with key stakeholders and through professional training programs. Engage in networks like the Romanian Network of International Cooperation in Criminal Matters and cooperation with EUROJUST to discuss and analyze international criminal law matters, including asset freezing and confiscation (Romania).
18. **Improvement of Victim Compensation Processes:** Pursuant to Art. 18 of the New Directive 2024/1260 on Asset Recovery and Confiscation, enhance the efficiency and accessibility of compensation processes for victims at the national level, including streamlining administrative procedures and providing comprehensive support through dedicated victim support units within law enforcement and prosecution offices. At the international level, ensure greater harmonization of European laws on victim compensation (Romania).
19. **Online Auction Portal:** Consider the establishment of online auction portals, which facilitate continuous and transparent selling of seized assets (Romania).
20. **Public and Social Reuse Initiatives:** Ensure that, when appropriate, confiscated properties are transferred to local municipalities for public and social uses (Romania).
21. **Strategic Engagement of External Experts:** Recommend the routine engagement of third-party experts, such as certified appraisers, especially for the valuation of high-value assets. This practice has been shown to ensure accurate asset valuations and optimize auction outcomes, contributing significantly to the financial and operational success of asset management (Romania).
22. **Enhancement of Public Reporting Practices:** Encourage all AMOs to adopt comprehensive public reporting practices. This should include the publication of regular annual reports and the maintenance of accessible, up-to-date statistics on their websites (Romania).

23. **Balanced Workload for Asset Management:** Address the issue of overloaded investigating courts to ensure that asset management does not become deprioritized. By alleviating the judicial workload, there can be a more balanced approach where asset management is given due attention alongside ongoing criminal investigations (Spain).
24. **Coordination Documents for Regulation Application:** Develop additional coordination documents to facilitate communication between issuing and executing authorities. This includes acknowledgment of receipt, details of forwarding freezing orders, confirmation of order recognition, and forms detailing the seizure or freezing of assets, including their estimated value. Propose the development of these documents on a common platform within the ARO in Brussels, rather than leaving the initiative to individual national AROs (Netherlands).
25. **Completeness and Updating of National Databases:** Ensure the completeness and up-to-date maintenance of national databases, especially concerning real estate, to facilitate efficient asset tracing activities (Romania).