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STUDY ON CHALLENGES AND SOLUTIONS IN THE MANAGEMENT OF COMPLEX ASSETS

**STUDY ON CHALLENGES AND SOLUTIONS IN THE
MANAGEMENT OF COMPLEX ASSETS**

**SUB-WORKING GROUP ON INTERNATIONAL COOPERATION
AND FORFEITURE AND PROJECT BIDAL
GELAVEX / WASHINGTON DC MAY 2016**

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Introduction

Depriving perpetrators of the proceeds of crime is a priority, the efficient management and administration constitute a substantial challenge, especially when dealing with assets that are difficult to manage such as: hotels, prosperous farms, companies, boats, aircrafts, and real estate, among others. This requires commitment of States in improving and developing tools necessary for the agencies specialized in assets management became more efficient and capable to confront this challenge.



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Introduction

TOOLS

- Asset Investigation
- Planning prior the seizure



- Financial and budgetary aspects

- Alienation prior to confiscation
- Auditing and Information systems
- Domestic legislation with effective legal and operative mechanisms





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Antecedents

Line of Action of GELAVEX
Strategic Plan 2015-2017:

- Management of
Complex Assets



*“Study on Challenges and
Solutions in the
Management of Complex
Assets”*

- ✓ “Operating Companies”
- ✓ Some that, by their nature, are considered to be “difficult to manage”



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Main Objective

- Identify those mechanisms and substantive aspects that specialized agencies must have for the efficient management of complex assets.
- Analyze the main challenges and practical and legal solutions that were implemented in Member States’ experience and during the execution of the project BIDAL.

PURPOSE

Information Sharing



Solutions Guide (concrete cases)



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Specific Objectives

1. To identify OAS Member States with experience managing complex assets.
2. To compile BIDAL's Project experience in implementing substantive aspects that allow complex asset management.
3. To share concrete cases experiences exemplifying main challenges in the management of complex assets.
4. To become familiar with the most common challenges faced by countries sharing their experiences.
5. To analyze the main practical solutions for the management of complex assets that States have used efficiently.
6. To analyze the legal tools currently used by specialized agencies in managing of complex assets.



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Metodology

- ✓ The BIDAL Project and the experience of some Member States that have experience with these matters (such as: the United States, Colombia, Honduras, Mexico, and Venezuela), has been considered to develop this study. (Specialized Agency/ Hiring Third Parties)

QUESTIONNAIRE

Concrete Case Experiences
Challenges and Solutions

ANSWERS

Guidelines Document



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Questionnaire

Origin of the budget for the management of complex assets



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Questionnaire

Procedures for establishing procurement contracts for the maintenance, administration and disposal of complex management assets.

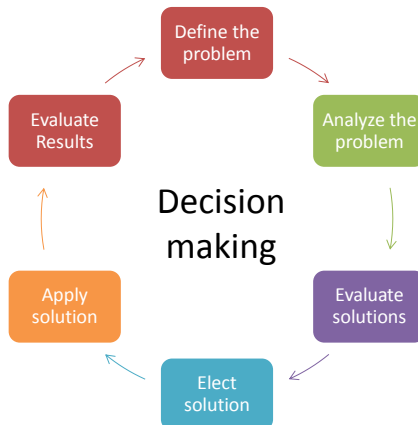




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Questionnaire

Types of Administration Procedures for Complex Assets



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Questionnaire

Investing seized money in order to support the seized asset maintenance and administration program

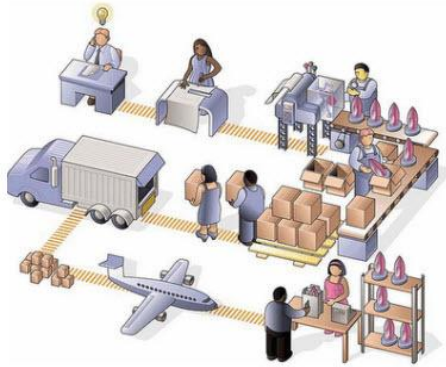




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Questionnaire

Self-sustaining maintenance of profitable assets



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Questionnaire

Respect of labor rights regarding companies and productive assets





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Questionnaire

ANALYZING THE COMPANY

- ✓ **Commercial Aspects of the Business:** identification of the commercial or industrial activity of the company, business strategy, customers, suppliers, operational mode, etc.
- ✓ **Organizational Aspects:** organizational structure of the company, human resources, processes and productive means, assets in general.
- ✓ **Financial Aspects:** economical-patrimonial situation, registration status, accounting documents, cash flow, balances in accounts and investments, loans, mortgages, assets and passives of the company in general.
- ✓ **Fiscal or tax aspects:** such as Payment Statements given to the Ministry of finance or the tax billing and income service. This can provide important data on the financial performance reported by the company for tax purposes.
- ✓ **Legal Aspects:** the evaluation of aspects of compliance with operation requirements of the company, health permits, fishing, environmental, commercial, mining, general concessions by the State for certain activities.



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Company's self sustainment

- Financial analysis of the company (operational costs and financial income)
 - ✓ Continuity of its commercial activity through self sustainment.
 - ✓ Closing company's activities and paying employees with the company's assets.





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Capital Injection

- Creation of a special fund to support the maintenance program
- Concept of “Refundable Fund” or “Short Term Loan”
- Study on financial income
- Objective: Continuity of employment generation and company’s economical activity
- Sales Projection on a company in operation



THANKS

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