

Intervention at the CND Intersessional
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Madam Chairman,
Distinguished country representatives
Dear civil society colleagues

I am here as part of the delegation of IDPC, an NGO in consultative status with ECOSOC, but the work I will present today is that of the Drug Policy Network South East Europe. We are a network of 26 member organisations from 11 countries of this region of Europe. I was selected to speak by the Vienna NGO Committee on Drugs.

The issue of confiscated proceeds of crime related to money-laundering arising from drug trafficking is of great importance for the countries of South East Europe, especially so called Western Balkans Six. Out of 44 countries of the continent analysed by the Global organized crime index, eight SEE countries are ranked between second and 14th place by criminality (33th to 92th in the World). More than 80 per cent of the citizens of the region have underlined organised crime as the biggest security threat, while the fight against organised crime is formally on the list of top governments' priorities.

Not only that the region is famous as the "Balkan route", mentioned earlier today, on the drug trafficking line entering Europe, but in recent years criminal gangs from South East Europe more and more control drug production, smuggling and trafficking in Europe, South America and worldwide.

Consequently, law enforcement actions against organised crime gangs are numerous, both in the region and in other countries. As drug-related crimes generate tremendous income, the results of these actions include confiscation of significant property.

The international community actualised the social use of proceeds from crime in the Western Balkans Six, as it did ten years ago. The approach aims to ensure that property seized by the state from criminals satisfies the public interest and a sense of justice. We saw some good examples today. At the same time, the social use of illicit-gained assets encouraged civil society participation in crime-fighting.

There is an agreement in the region that confiscating illegally-gained assets and tracing dirty money are indispensable instruments in fighting organised crime. That's why parliaments in the previous decade adopted concrete laws on property confiscation under the strong influence of the European Union and the Council of Europe. As a result, the current legal framework in the region is solid.

Although there is an agreement, decision-makers have not placed the confiscation of illegally-gained property high on the political priority list. No one in the Western Balkans Six has a specific strategy for confiscating property, but other planning documents cover this area. That is why the situation in practice is different from the law.

Institutions for conducting financial investigations and managing seized assets exist but are not sufficiently developed. Capacities for financial investigations are low, which is confirmed by the

reports of the European Commission. Financial investigations are often conducted after the arrest, which is not a good solution because it allows criminals to alienate or hide property.

I would talk more about the re-use of confiscated assets for social or judicial purposes, which is a growing practice globally. Social and state re-use of assets is an opportunity that is often overlooked by governments in the region.

We from the civil society, are worried that there no long-term ways to promote the social use of confiscated property exist in the region. The social use of illicit-gained assets encourages civil society participation in crime-fighting. The key is to show that property gained through criminal actions can actually serve strengthening society.

For now, only two countries of the region have examples where civil society organisations socially use confiscated property. Today, in corridors, I heard about one additional good example from our region.

Civil society in Albania has been enabled to propose ideas for confiscating property through social entrepreneurship through a public competition. Three out of 23 proposals passed: *KinFolk Coffee Library* youth club in Durres, *A Buono! Social Pastry* in Fier and craft shop *Social Craftin Garage* in Saranda. In addition, at least in three rounds financial support was offered to civil society, twice by a special state agency called AAPSK as part of the Ministry of Finance and this year by the Ministry of Interior. I am glad to say that our member organisation Aksion Plus was granted all three times.

In Serbia, people with autism live in confiscated house, while villas are given to organisations that help people with disabilities, children with cancer or young people without parental care. In addition, the property was used by milk and bread factories, agricultural companies and hotels.

Unfortunately, we recently noticed lack of transparency around the region related to confiscated property. Last available reports presenting how many houses, apartments, shops, garages are available for social use in some countries are seven and more years old. The institutions that manage confiscated property must be transparent and provide access to records of the seized property so that civil society organisations can apply for use, which requires clear procedures.

Our member organisation claim that there are some limitations concerning the time line of applications, approval and the allocation of funds to the NGO. It is a process that takes time and for some sensitive projects like methadone therapy or other emergency/necessary services time is very precious.

There are just over 200 civil society organisations in the Western Balkans Six countries fighting crime and corruption. Their role is essential in the command chain of crime prevention and control. They can point out cases, spot institutional weaknesses, offer solutions, and connect relevant individuals, groups, institutions, and organisations.

Crime assets could be invested to reduce recidivism, support victims of crime, help people with drug problems and youth, and other activities organised by institutions and civil society organisations. Unfortunately, the key obstacle for implementing drug strategies is lack of resources.

In some countries of the region, our member organisations, those that address a variety of issues related to drug policy, applied for use of the confiscated property. Not only that they haven't been given that opportunity, but they even haven't got a reply to the application!

One more issue is usually not part of the reports on confiscated property: cash money that was seized during police actions. It usually goes to national budget which means that it is not wasted. But, wouldn't it be wise to create a fund of that money that would be used for fighting the problem - to implement the national drug strategies.

To conclude, there is a lot of potentials to improve the social use of confiscated property and cooperation between civil society and institutions, not only at the local but also at the regional level.

Thank you!