

# Cross-Sector Asset Recovery Alliance

*A Latimer Network proposal, 30 March 2026*

## THE OPPORTUNITY

The UK currently recovers only a fraction of the assets that derive from economic crime and corruption. Public enforcement agencies face structural constraints that leave most illicit wealth beyond reach. A wide range of private sector capabilities have the potential to contribute across the asset recovery lifecycle (see annex). But private sector involvement is currently ad hoc, uncoordinated, unaligned with public sector efforts, and ungoverned: a significant resource that is available in principle but underutilised in practice.

This proposal would change that. It sets out a systematic, governed framework for cross-sector collaboration – connecting criminal and civil routes, public and private capabilities – designed to maximise asset recovery in the public interest, with the safeguards necessary to ensure that private sector involvement serves that goal.

### The recovery gap

The scale of the gap between illicit wealth flowing through the UK and what is recovered makes the case for this proposal. With a realistic probability that £700 billion of dirty money passed through the UK economy over the past seven years, just £6.8 billion has been frozen, and of that only £1.9 billion permanently recovered – meaning less than 1% of the UK's dirty money is being frozen and just 0.3% taken off criminals for good.<sup>1</sup> Civil recovery, in particular, remains marginal: just £7.4 million was recovered through civil recovery orders in 2023/24.<sup>2</sup> Even modest improvements in these statistics would generate returns that dwarf the cost of the infrastructure proposed here.

### International best practice

The Financial Action Task Force (FATF)'s guidance on asset recovery is unambiguous: effective asset recovery requires partnerships, including with the private sector and civil society.<sup>3</sup>

### Policy context and fit

This proposal has been developed for consideration in the forthcoming **AMLAR Strategy** by a [Latimer Network](#) working group consisting of public sector, private sector, and civil society experts. It closely complements and supports implementation of the Illicit Finance Summit's planned **Non-Conviction-Based Asset Recovery Taskforce**: it provides an operational framework for the UK's domestic implementation of the Taskforce objectives and a model for other countries to consider.

## THE PROPOSAL

A new Asset Recovery Coordination Unit – designed to enable systematic cross-sector collaboration and ensure optimal pathway selection across criminal and civil routes – should act as a structured interface between public enforcement agencies and cross-sector partners.

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<sup>1</sup> Spotlight on Corruption, *Targeting the Untouchables: The UK's asset recovery efforts since the introduction of the Criminal Finances Act 2017* (December 2025)

<sup>2</sup> Home Office, *Asset Recovery Statistical Bulletin: Financial Years Ending 2019 to 2024* (GOV.UK, September 2024)

<sup>3</sup> FATF, *Best Practices on Asset Recovery* (fatf-gafi.org, 2025)

## Functions of the Coordination Unit

1. Case triage: pathway determination across criminal confiscation, Part V civil recovery, and private civil claims. Strategic consideration of the most appropriate approach case-by-case.
2. Gateway for victims and alerting of claims: providing a forum for reporting and sharing of information by victims and other stakeholders and co-ordination of their actions with actions of law enforcement, plus pro-active identification of victim claimants in appropriate cases.
3. Accreditation and vetting: the Unit would maintain a vetted panel of private sector investigators, law firms and legal counsel operating on standardised terms (see below).
4. Information-sharing: protocol management across tiered disclosure levels (see below).
5. Access to funding and fee oversight: implementing fee structures and regulated mechanisms for accessing services and third-party funding on appropriate terms (see below).
6. Communication: helping victims to understand what is available and improving their access to remedial paths, and ensuring coordination across domestic and international partners.
7. Performance monitoring: with aggregate public reporting.

## Market design and fee structures

Strategically integrating private sector capability into asset recovery requires confronting a structural tension: commercial incentives do not automatically align with the public interest. A market framework is needed to make them align by balancing cases where private sector engagement is commercially attractive (e.g. high-value, recoverable assets with clear legal pathways) and cases with significant public interest that the market would not voluntarily pursue (e.g. complex cases involving lower-income country victims, politically sensitive defendants, or assets in hostile jurisdictions). Accreditation as an alliance member would carry an obligation to accept a defined proportion of the second category as a condition of access to the first.

Calibrating this formula to ensure sustainable incentives alignment would be complex but achievable. Litigation funders are well placed to support: they understand risk-pooling across a portfolio of cases and could apply that logic at the system level, balancing private and public incentives across a portfolio rather than optimising each case in isolation.

Pre-agreed and transparent fee structures would also apply to all accredited partners, including:

- Discounted, below-market fees in all cases and caps on any contingent elements.
- Sliding scales: higher percentage on initial recovery, declining as total increases.
- Performance bands: lower contingency for straightforward cases, higher for complex recovery.
- Victim priority: maximum benefit to all identifiable victims, with a minimum percentage to guaranteed to victims before contingency calculations apply.
- Deduction of costs from recovered assets<sup>4</sup> (discussed with victims at the outset) and cost separation (disbursements treated separately from the profit element).
- Public aggregate reporting.

## Public interest safeguards

Formal accreditation would be a requirement of all partners, and would require:

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<sup>4</sup> UNCAC Article 57(4) contemplates this cost as relevant in motivating both host and victim states, to the extent it reflects a reasonable cost from the recovered amount.

- Clean regulatory record: AML/CFT compliance, no sanctions or serious disciplinary findings.
- Insurance: professional indemnity insurance.
- Conflict disclosure: immediate disclosure of any relationships with subjects.
- Structural restrictions: no adverse representation within 5 years (verification procedure to be determined).
- Information barriers: Chinese walls procedures for individual case conflicts of interest.
- Setup of and agreement to use a mechanism for the private sector to remit recovered assets to UK authorities for return under the UK framework for accountable and transparent asset return.

### **Governance and authority**

The Coordination Unit will need to be able to make consequential decisions. This will require an explicit governance framework addressing who holds strategic decision-making authority over, for example, case strategy and approach, sequencing and prioritisation, resolution pathways.

### **Approach to information sharing**

Information would in all cases be shared subject to protocols specifying data handling requirements, breach penalties, and limits on non-shareable material (e.g. intelligence sources, concurrent criminal investigations). Existing legislation provides a significant foundation. Information shared with vetted partners for case investigation purposes would be according to tiered GDPR-compatible disclosure models, for example:

1. Initial interest: anonymised summary, covering asset classes, estimated values, jurisdictions, complexity factors.
2. Viability assessment: detailed disclosure under confidentiality agreements, including subject identities and asset locations.
3. Full access: complete material access on engagement with strict use restrictions.

## **SUPPORTING THE PUBLIC POLICY OBJECTIVES OF ASSET RECOVERY**

The four objectives of asset recovery are complementary but not always aligned. The Coordination Unit's triage and pathway determination function should be guided by an explicit assessment of which objectives matter most in context.

### **1. Deterrence: making economic crime less attractive**

Deterrence requires that the expected cost of economic crime – including the probability and consequences of asset recovery – outweighs the expected gain. Current recovery rates are too low and too slow to create credible deterrence. This cross-sector alliance would support this objective by expanding the volume of cases in which recovery is pursued. The credibility of the deterrent depends on breadth and speed of action, not just the size of individual recoveries.

*Tension to manage: private funders and litigation firms are incentivised to pursue high-value, recoverable cases – not necessarily the cases with the greatest deterrent or development value. As outlined above, framework design must guard against cherry-picking that concentrates effort on straightforward, high-value recoveries while leaving the most complex, systemically significant cases unpursued – and must equally ensure that smaller cases with outsized importance to lower-income countries are not neglected.*

## **2. Victim reparation: returning assets to those who lost them**

Criminal confiscation prioritises recovery to the state; victim compensation is a secondary and often poorly served objective. Private civil claims provide a route to redress in cases where criminal prosecution is not pursued or fails, but they also offer a structurally different route: they can recover the full measure of victim losses plus defendant gains, are enforceable against the totality of a defendant's assets, and can proceed even where criminal prosecution is not pursued or fails. For overseas victims – including individuals, businesses, and origin-state governments – civil routes may represent the primary or only realistic route to redress. A cross-sector alliance could expand access to this route and can help match cases with appropriate funders and counsel where victims lack resources to litigate independently.

*Tension to manage: contingency fee arrangements and third-party litigation funding reduce net recovery to victims. The fee structure proposals – including victim priority provisions and absolute fee caps – are essential safeguards.*

## **3. Disruption: stripping criminal capacity**

Asset denial – freezing, restraining, and recovering assets to degrade the ability to reinvest in further criminality – is a distinct objective from financial recovery. Speed matters more than maximising recovery value: assets frozen pre-judgment prevent reinvestment even if ultimate recovery is partial. Civil tools are well-suited to this objective. Freezing injunctions – available to private parties without the delays of mutual legal assistance – can immobilise assets globally and at pace. A cross-sector alliance that integrates specialist tracing capability with rapid civil enforcement action serves this objective well.

*Tension to manage: disruption-focused action may interfere with concurrent criminal investigations. Information-sharing protocols and the proposed triage function are essential to sequence civil and criminal action appropriately, avoiding the risk that fast-moving civil enforcement forecloses more significant criminal outcomes.*

## **4. Public accountability: transparent and legitimate return of assets**

Asset recovery carries obligations of transparency and accountability that go beyond financial outcomes. Recovered assets should be returned to those harmed; the process should be visible enough to sustain public confidence; and private actors involved in enforcement-adjacent roles should not be able to use that position to pursue interests that conflict with the public interest.

This objective is the one most directly threatened by poorly governed private sector involvement, absent the systems to return accountably, particularly when the returning government is hostile. It is served by the accreditation regime, the establishment of a mechanism for the private sector to remit recovered assets to UK authorities for return under the UK framework for accountable and transparent asset return, aggregate public reporting obligations, and the maintenance of public authority decision-making on case routes – none of which should be treated as optional.

*Tension to manage: private civil settlements are typically confidential. This creates a direct conflict with transparency obligations, particularly in high-profile corruption cases where public visibility of outcomes matters to affected communities and origin states. Legislative change may be required to make settlement transparency enforceable.*

## **INPUT REQUIREMENTS**

Establishing a functioning Coordination Unit would require: a dedicated secretariat; accreditation and information management infrastructure for private sector partners; a case management system; and sustained institutional sponsorship. On funding, a mix of public baseline funding with cost-recovery from successful cases and/or levy on accredited partners would reduce the burden on public finances while ensuring the Unit is not wholly dependent on commercial case selection.

## **STRENGTHENING THE LEGAL FRAMEWORK**

Reforms of the legal framework, particularly the civil justice system as it relates to asset recovery, could further enhance the potential of cross-sector collaboration. Options would include:

1. A tailored collective action procedure in the civil courts modelled on competition law, with standing granted to representative victims and civil society organisations, to facilitate compensation for harms in relation to fraud and corruption offences.
2. Measures to encourage greater use internationally of both civil recovery and civil processes, in particular a tailored derivative mechanism for international corruption cases and/or broaden standing under Part V POCA.
3. Improved civil powers for ordering provision of information in international cases and information sharing between civil and criminal processes.

## **RECOMMENDED PILOT**

The most significant barrier to implementing this proposal is entrenched distrust between sectors. Alongside the establishment of governance that gives all parties confidence that their interests and obligations are protected, it will be necessary to build trust incrementally. A focused pilot would support this process.

International corruption cases present a compelling focus for such a pilot, as they are the cases where the coordination gap is most costly, where international victims most need help understanding what is available, and where linking enforcement activity to private sector resources has most immediate practical value.

## **KEY RISKS**

The most significant substantive risk is conflict of interest. Private sector actors – whether acting commercially or as counsel for individual clients – do not automatically pursue outcomes that align with other victims or the public interest at large. Litigation financing arrangements can compound this: creating uneven bargaining positions, lack of transparency, and loss of victim control over the direction of proceedings. FATF's best practice guidance flags the risk of predatory or inappropriate behaviour.<sup>1</sup> The accreditation regime, fee structures, and public interest safeguards set out in this proposal are a direct response to these risks.

The risk of inaction is significant, both in terms of opportunity cost, but also given that current private sector involvement in asset recovery occurs without any of the safeguards this proposal would provide. Implementation of a structured approach to private sector participation in the public interest bears less risk than current unregulated market activity.

## ANNEX: Potential private sector contributions to asset recovery

Private sector capabilities	Civil route tools & powers	Potential benefits
<b>1. Intelligence &amp; tracing</b> Identifying and locating assets concealed through complex structures, multiple jurisdictions, or crypto		
<ul style="list-style-type: none"> <li>• Forensic accountants and investigation firms</li> <li>• Blockchain analytics</li> <li>• Commercial intelligence databases</li> </ul>	<ul style="list-style-type: none"> <li>• Civil disclosure orders (no criminal threshold)</li> <li>• Norwich Pharmacal orders: compel third parties to disclose info on wrongdoers</li> <li>• Bankers Trust orders: require banks to disclose information</li> </ul>	<ul style="list-style-type: none"> <li>• Speed: private firms can deploy civil disclosure tools rapidly across jurisdictions</li> <li>• Specialist tools exceed public sector capability</li> </ul>
<b>2. Investigation</b> Building the evidentiary case through document review, witness interviews, and asset mapping		
<ul style="list-style-type: none"> <li>• Investigative firms with international reach</li> <li>• Digital forensics specialists</li> <li>• Investigative journalists and third sector investigators</li> </ul>	<ul style="list-style-type: none"> <li>• Civil standard of proof (vs criminal)</li> <li>• No dual criminality requirement for private claims on overseas conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Surge capacity for resource-intensive work</li> <li>• Lower threshold enables action where criminal case unviable</li> <li>• Broader scope for corporate liability through attribution</li> </ul>
<b>3. Judicial process</b> Pursuing recovery through criminal confiscation, civil recovery (Part V POCA), or private civil claims		
<ul style="list-style-type: none"> <li>• Specialist litigation counsel, including via Conditional Fee Arrangements (CFAs)</li> <li>• Third-party litigation funding</li> </ul>	<ul style="list-style-type: none"> <li>• High Court, civil standard, no conviction required</li> <li>• Private claims: fraud, breach of fiduciary duty, unjust enrichment, constructive trust</li> <li>• Proprietary claims to trace and recover specific assets</li> </ul>	<ul style="list-style-type: none"> <li>• Third-party funding can reduce upfront public expenditure (though also reducing net recovery for victims)</li> <li>• Can recover full victim losses and defendant gains</li> <li>• Claims enforceable against entirety of assets</li> </ul>
<b>4. Enforcement</b> Converting orders and judgments into recovered assets across multiple jurisdictions		
<ul style="list-style-type: none"> <li>• Asset realisation specialists</li> <li>• Property/distressed asset disposal experts</li> <li>• Asset management firms</li> </ul>	<ul style="list-style-type: none"> <li>• Property freezing orders: freeze pending civil recovery</li> <li>• Receiver appointments</li> <li>• Recognition in overseas courts: established civil enforcement regime</li> </ul>	<ul style="list-style-type: none"> <li>• Freezing injunctions: global asset freezes pre-judgment</li> <li>• Parties can directly seek ancillary orders abroad (no mutual assistance delays)</li> <li>• Well-established international civil judgment recognition</li> </ul>