



# PROSECUTION UNITS SPECIALIZED IN ECONOMIC CRIME

## Second National Meeting

*5th and 6th of November 2015*

*Santa Fe, Argentina*

**Red** **UFEDE**



Red de Unidades Fiscales  
Especializadas en Delitos  
Económicos

**(cipce)**

Centro de Investigación y Prevención de  
la Criminalidad Económica

# INTRODUCTION

The **Center for Research and Prevention of Economic Crime -CIPCE**, by its Spanish acronym- is a nongovernmental organization that has worked in the development of politics of prevention and prosecution of economics crime in Argentina since 2003. The complexity of this criminal phenomenon is well known, as is the inefficiency that currently exists in the State in its investigation and prosecution. This type of crime creates very **serious social and economic consequences**, among which are the deepening of social inequalities; hampering the economic growth of the population; the weakening of trust in government institutions; unstable public policy development; and the co-optation of institutional mechanisms in political decisions.

In the light of this situation, **in 2014 we decided to create a NETWORK OF PROSECUTION UNITS SPECIALIZED IN ECONOMIC CRIME**. The objective of this Network is to encourage the growth and development of these kinds of specialized prosecutions units, and also improve those already in existence. **In Argentina, there are 25 Public Prosecutors**, each one with a different institutional reality. We believe the reinforcement of the Network is both a necessary and effective means to strengthen the individual and collective abilities of the prosecutor units. This will work to **promote successful experiences of investigation and prosecution** through a network of communications and exchange.

To start this Network, **on the 30th and 31 October, 2014, we organized the First National Meeting** of Prosecution Units Specialized in Economic Crime. It was organized in Buenos Aires, jointly by CIPCE and the Federal Attorney General's Office, and the Public Prosecutions of the States of Chubut and Santa Fe gave us its supports. A diverse group of members of Public Prosecutions as well as agencies of supervision and control attended the First National Meeting, where we discussed about different theoretical and practice concerns and exchanged experiences and knowledge.

After that conference, **some lines of action took priority treatment from there on:**

- Improve formal and informal mechanisms to exchange information between actors that are involved in the prevention and persecution of economic crimes

- To optimize the abilities to obtain information from control agencies
- To generate activities for training in research and persecution of economic crimes
- Exchange experiences, good practice and conventions about research and litigation
- Improve the coordination between federal government jurisdiction and provincial jurisdiction, and encourage a collective approach to common issues.
- Encourage the long-term institutionalization of these lines of work.

This collective synergy had another meeting on the 5th and 6th of November 2015, in the **Second National Meeting**. It occurred in the Faculty of Legal and Social Sciences of the National University of the Litoral, in the state of Santa Fe, and it was organized by CIPCE, said University and the Public Prosecution Service of Santa Fe, with the support of the Attorney General Office.

Between the first and the second meetings, a total of **10 Public Prosecutions attended, from different provinces of our country**: Buenos Aires, Chaco, Chubut, Córdoba, Entre Ríos, Misiones, Neuquén, Santa Fe, Tucumán and the Attorney General Office (the latter, participated with the Office of Public Attorney of Economic Crime and Money Laundering, the Directorate General for Economic and Financial Consulting in Research, the Directorate General for Asset Recovery and Asset Forfeiture, and the Office of Administrative Investigations). Participants also included officials that work within **different oversight bodies** (agencies of supervision and control), with monitoring powers and jurisdictions: the Financial Information Units (FIU), the Superintendence of Financial and Exchange Entities of the Central Bank of Argentina (SEFyC - BCRA), the National Securities Commission (CNV), the Anti-Corruption Office (OA), the Federal Public Revenue Administration (AFIP), the Undersecretary of Economic Crime Security Ministry of Santa Fe, the Provincial Management of Anti-Corruption and Transparency of the Public Sector Santa Fe, and the Provincial Administration of Taxation of Santa Fe, among others

# SECOND NATIONAL MEETING

On **Thursday, November 5<sup>th</sup>**, public talks were held. More than 100 people attended, many of them serving in various state agencies and organizations. On **Friday, November 6<sup>th</sup>**, closed tables were held **exclusively for Public Prosecutors and oversight bodies**. This allowed the creation of a safe space where system operators exchanged ideas and experiences. This supported the goal of the Network to reinforce personal and institutional connections.

## I. OPENING CEREMONY.



The representatives of the institutions who organized the Conference gave the opening remarks: **Julio De Olazabal**, Attorney General of Public Prosecution of Santa Fe, **Javier Francisco Aga**, Dean of the Faculty of Legal and Social Sciences of the National University of the Litoral in Santa Fe and **Agustín Carrara**, Executive Director of CIPCE.

Conference speakers stressed the importance of developing policies in the persecution and prevention of economic crimes, with special emphasis on encouraging meeting with a diverse public in open spaces to discuss these issues at the University



## II. THE CURRENT STATE OF CRIMINAL PROSECUTION OF ECONOMIC CRIMES IN ARGENTINA

**Agustín Carrara**, Executive Director of **CIPCE**, opened the panel analyzing the performance of Argentinian's justice in economic criminal cases. For this purpose, he presented several reports written by CIPCE in recent years. Here, he spoke about the main issues that are detected in the investigative stage and in trials: the excessive length of the legal

proceedings, the absence of cooperative politics about recovery of assets, the lack of transparency and citizen participation, among other topics. Then, he spoke about an investigation run by CIPCE concerning all criminal convictions in existence regarding money-laundering, showing the kinds of cases prosecuted by the justice system, and the lack of sufficient specific and systemized information.

Next, **Jorge C. Baclini**, District Attorney of Rosario (**Public Prosecutor of Santa Fe**), emphasized the importance of creating specialized prosecutors who work specifically in economic criminal cases, especially in the adversarial criminal system. He referred to the need to train the judicial actors to understand the way business and financial operations work. Similarly, he stressed the need to have an interdisciplinary investigation group. Lastly, he accentuated the need that Public Prosecutors have functional and financial autonomy, by designing flexible structures.

### III. THE ROLE OF SPECIALIZED PROSECUTION UNITS. FEDERAL AND LOCAL EXPERIENCES.

In this panel, two different ways of organizing the specialized prosecutors units in economic offences were demonstrated. **Sebastián R. Narvaja**, Chief Prosecutor at the Prosecution Units Specialized in Economic and Complex Crime (Prosecutor's office of Rosario, **Attorney General's Office of Santa Fe**), explained the workings of his Prosecutor's Office, the obstacles faced in his position and the issues to be taken account for these Specialized Prosecutor's Offices to be effective and able to comply with the proposed objectives.

Then, **Nicolás Macchione**, from the Economic and Bank Fraud of the Public Attorney of Economic Criminal and Money Laundering (PROCELAC), of the **Federal Attorney General's Office**, presented. He spoke about the workings of PROCELAC, and he referred to its six thematic areas. He observed the way of connecting with the rest of the prosecutors inside the Federal Attorney General's Office, since PROCELAC assists in their investigations and trials.

#### IV. OVERSIGHT BODIES AND INFORMATION EXCHANGE: CASE DISCUSSION AND STRATEGIES.

In this panel, **Diego Gamba**, advisor of the board of the **Central Bank of Argentina**, spoke about the use of legal persons in economic crime. He emphasized the importance of having beneficial ownership registries, and he referred to the importance that Public Prosecutors and oversight bodies have access to these records. He also spoke about shadow banking and spoke to the risk involved in operating outside existing legislation and Central Bank control.

Then, **Ricardo Eskenazi**, chair person of Advisory Council of the **Financial Information Unit**, underlined the importance of having monitoring bodies with political will to make progress in these issues. He explained the collaborative relationships between Financial Intelligence Units and others bodies, and the situation in our country regarding the rest of the world, particularly in regard to the Financial Action Task Force.

#### V. EVIDENCE GATHERING AND CHAIN OF CUSTODY. MODELS OF ACTION PROTOCOLS.



The activities of Friday started with the explanation of the objectives for this Second Meeting. Then, a practical workshop was coordinated by members of **Public Prosecution** and the **Ministry of Government and State Reform**, both from the State of Santa Fe: **Sebastián R. Narvaja**, Accountant **Marina Marsili**, and the security system analyst **Ramiro Caire**. In this activity, that included the participation of the course attendants, an office raid was simulated in order to identify possible barriers that usually arise in these kinds of proceedings; they then discussed working guidelines to efficiently gather of evidence and custody.



## VI. ECONOMIC CRIME INVESTIGATION: EXPERIENCES IN THE DEVELOPMENT OF ANALYSIS AND INVESTIGATION UNITS.

This panel began with the discourse of the Accountant with a Degree in Economics **Judith König**, head of the **Bureau of Economic Research and Financial Analysis**, from **Federal Attorney General's Office**. There was a discussion about the obstacles faced in this kind of office, considering it works inside the Attorney General's Office advising different prosecutors specialized in complex crime (economic crime, human trafficking, narco-criminality, among others).

She was followed by **Margarita Zabalza**, head of **Under-Secretariat of Economic Crime for the Ministry of Security of Santa Fe**. She analyzed the experience of a body that works in the orbit of a Provincial Executive Branch, particularly regarding the exchange of information and the collaborative relationship with Public Attorney. She explained, in the same way, the construction of their own database that stores economic and financial information about people (both legal and natural).

## VII. ASSET RECOVERY IN COMPLEX CRIMES. DISCUSSION OF CASES AND PROCEDURALS LAWS.

This panel discussion was coordinated by **María del Carmen Chena**, member of the **General Directorate of Asset Recovery and Confiscation**, from the **Federal Attorney General's Office**. In this opportunity, Chena emphasized some guidelines that are necessary in order to take precautions



against and the confiscation of criminal assets. She explained the flaws in customary practices and innovative measures that have begun to be implemented, such as judicial intervention in companies linked with money laundering. Furthermore, public attorneys from different Public Prosecutor Offices spoke about provincial experiences in this field; while sharing legislation regarding the confiscation of criminal assets, they have different legislation for precautionary measures.

## VIII. INTERINSTITUTIONAL EXPERIENCES AND COORDINATION DURING THE INVESTIGATION. PRIVATE PROSECUTION.

This round was coordinated two members of CIPCE:

**Agustín Carrara** and **Nicolás Macchione** (Executive Director and Steering Committee Member, respectively). The discussion focused on one of the issues addressed throughout the day: the need to develop instances of coordination and collaboration



between different specialized units and office involved in the investigation and litigation of these types of crimes. Accordingly, the Public Attorney, supervision bodies, the NGO, the judicial police, security forces and bodies who work in financial intelligent activities, among others, were analyzed.

### LINES OF WORK for 2016

After two days of discussion, one of the most recurrent issues was about what should be the **driving axis of action and activities in the near future**, based on the many challenges and problems that different public agencies of control and persecution are going through. Fundamentally, all of them agreed on the importance of **coordination and collaboration between all agencies**. At the end, all attendees were informed about the intention to schedule the **Third National Meeting** of UFEDE Network by the end of 2016, in Cordoba, in cooperation with the Public Prosecution. Before this meeting, we intend to perform **other activities** – such as training workshops – in different jurisdictions, and to start to **produce work materials** which shall be provided for all members of the Network (for example, good practices guidelines).

**CIPCE will continue to play its role of coordination of the Network**, as agreed in the first meeting in 2014. Meanwhile, the doors are open for all these Public Persecutors and agencies of control and supervision who would like to join it to exchange knowledge and ideas, adding to our collective ability to prevent and prosecute economic crime.