

Strategic Public-Private Partnerships in Asset Recovery

Cross-sector discussion summary

There is widespread recognition that the scale of illicit finance vastly exceeds current asset recovery capabilities, creating urgent need for innovative and scalable approaches to asset tracing and recovery. The traditional boundaries between public and private sector roles in this space are evolving, with parallel activity currently developing ad hoc. More strategic partnerships could better leverage the unique strengths of each sector.

This report summarises insights from a cross-sector discussion, held on 2 December 2025, which brought together senior individuals from professional services, government, law enforcement, and civil society to explore the potential for public-private partnerships in asset recovery. The conversation sought to understand different sectoral perspectives and work towards consensus on how such partnerships could better serve the public interest while operating effectively at scale.

The discussion revealed remarkable cross-sector alignment on the potential value of more strategic collaboration, recognition that partnerships should supplement rather than replace public sector capabilities, and agreement that moving beyond ad hoc arrangements to systematic partnerships could enhance effectiveness without compromising public interest objectives. Important issues to be resolved were also identified, including managing private sector fees and reparations for victims.

Areas of consensus

1. The scale of the challenge requires alternative approaches. There was universal agreement that current asset recovery efforts are nowhere near the scale of the problem. Despite best endeavours, the ability to recover illicit assets remains limited, necessitating exploration of alternative approaches. Civil recovery mechanisms offer great potential for operating at scale.

2. There is opportunity to achieve much more through structured public-private partnerships. The opportunity lies not in simple outsourcing, nor in the private sector merely sharing information to support public sector action, but in leveraging capabilities that create added value – particularly the private sector’s scale, international reach, pace, and technical capabilities in areas like cryptocurrency.

3. Public and private approaches can be complementary. Both the public and private sectors are dependent on each other for ability to maximise their potential to deliver asset recovery. There will always be a need for a law enforcement lead or involvement in many cases, maintaining public sector legitimacy and authority, but public and private approaches should coexist in a joined-up fashion to enable a more comprehensive, strategic approach to tackling illicit finance.

4. Trust and early coordination are foundational. Building trust through collaborative cross-sector partnership and information sharing is critical. Early-stage triage should be introduced to identify which cases suit criminal prosecution versus civil recovery or hybrid approaches.

5. Public interest must be prioritised. There was consensus that partnerships must serve the public interest rather than be able to become purely profit-driven. The risk that private sector involvement might focus only on high-value cases, and of only people who can afford it having access to results through civil litigation, must be managed. The primary focus must remain on reparation to victims rather than revenue generation.

6. Guardrails must be in place for any partnership model. Private sector involvement must supplement rather than substitute public sector capabilities. Asset recovery must not become a replacement funding mechanism for law enforcement. Transparency in fee structures and recovery distributions is essential. Ethical standards could be introduced which must be met by firms participating in public-private partnership.

Key challenges

1. Resource constraints and the funding paradox. Law enforcement and prosecutorial services face capacity constraints that limit their ability to engage with private sector opportunities. This creates a ‘chicken and egg’ problem – upfront investment is needed to recover assets that would fund further recovery efforts, but public sector budgets cannot provide this initial capital. The paradox extends: “If we could fund more private sector, would generate more revenue and get more money back to victims” – but the initial funding is often simply not available. Procurement processes can be particularly prohibitive, where private sector expertise cannot be engaged due to these barriers.

2. Fee structures. Historical occurrences of private sector firms taking entire recoveries in professional fees have created mistrust which acts as a barrier to collaboration. The tension between profiteering and access to justice requires careful consideration of fee caps and guaranteed returns to victims. Use of insurance to mitigate risk and/or no-win-no-fee arrangements could be explored.

3. Information asymmetry and capability gaps. The public sector can lack awareness of some private sector capabilities and powers, while the private sector may not understand public sector constraints and requirements. Without established feedback loops, it remains unclear what information and approaches could provide most value. A lack of public domain data on public private partnership effectiveness in asset recovery is also a critical gap.

Next steps

Priorities are to:

- Identify specific choke points in the current system where strategic public-private partnerships could add most value.
- Develop proposals for managing information sharing and enabling the triage of cases.
- Build consensus on potential fee structure guidelines and ethical standards for firms.
- Create pilot programmes in high-value areas to test the approach.

Learning from existing experience of public-private partnership in asset recovery – both successes and challenges – should inform future approaches, which should feature in both the 2026 Countering Illicit Finance Summit and the forthcoming Anti-Money Laundering and Asset Recovery (AMLAR) strategy.

Conclusion

There is remarkable cross-sector appetite for exploring structured partnerships in asset recovery: it is now not a case of if this should be done, but how. The challenge now is to translate this alignment into practical models that protect the public interest while operating at the scale the problem demands.

The path forward requires careful navigation of legitimate concerns about profit motives and public interest, but the scale of illicit finance and limitations of current approaches make this exploration essential. Through pilot programs with appropriate safeguards, and sustained trust-building across sectors, public-private partnerships in asset tracing and recovery should become a critical tool in the fight against financial crime.