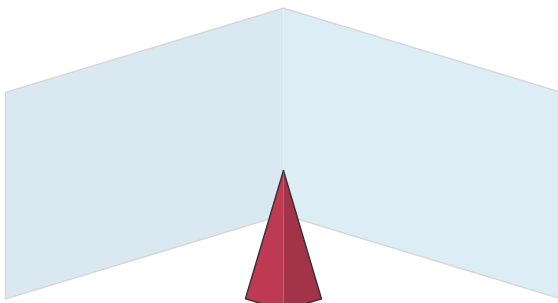


MONACO



2.43

CRIMINALITY SCORE

184th of 193 countries

42nd of 44 European countries

8th of 8 Southern European countries



CRIMINAL MARKETS

1.60

HUMAN TRAFFICKING

1.50

HUMAN SMUGGLING

1.00

ARMS TRAFFICKING

1.50

FLORA CRIMES

1.00

FAUNA CRIMES

1.00

NON-RENEWABLE RESOURCE CRIMES

1.50

HEROIN TRADE

2.00

COCAINE TRADE

2.00

CANNABIS TRADE

2.50

SYNTHETIC DRUG TRADE

2.00



CRIMINAL ACTORS

3.25

MAFIA-STYLE GROUPS

1.00

CRIMINAL NETWORKS

3.00

STATE-EMBEDDED ACTORS

3.50

FOREIGN ACTORS

5.50



5.38

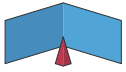
RESILIENCE SCORE

63rd of 193 countries

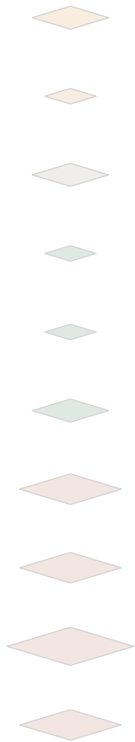
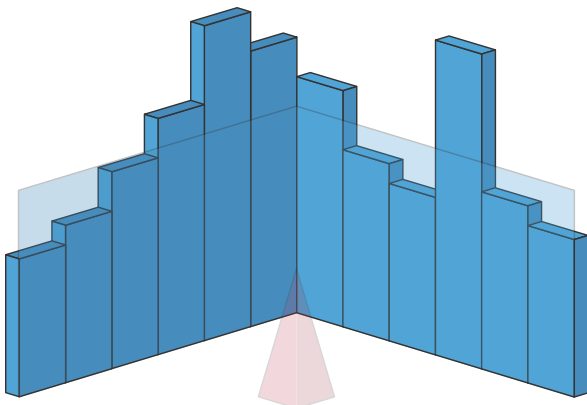
28th of 44 European countries

4th of 8 Southern European countries





MONACO



5.38

RESILIENCE SCORE

63rd of 193 countries

28th of 44 European countries

4th of 8 Southern European countries

POLITICAL LEADERSHIP AND GOVERNANCE	3.50
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	4.00
INTERNATIONAL COOPERATION	5.00
NATIONAL POLICIES AND LAWS	6.00
JUDICIAL SYSTEM AND DETENTION	8.00
LAW ENFORCEMENT	7.00
TERRITORIAL INTEGRITY	6.00
ANTI-MONEY LAUNDERING	4.50
ECONOMIC REGULATORY CAPACITY	4.00
VICTIM AND WITNESS SUPPORT	8.00
PREVENTION	4.50
NON-STATE ACTORS	4.00



2.43

CRIMINALITY SCORE

184th of 193 countries

42nd of 44 European countries

8th of 8 Southern European countries



CRIMINAL MARKETS **1.60**



CRIMINAL ACTORS **3.25**



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CRIMINALITY

CRIMINAL MARKETS

PEOPLE

There does not appear to be a market for human smuggling or trafficking in Monaco. However, the principality's borders are almost entirely frictionless and there is a possibility, albeit minimal, of trafficking for the purposes of sexual exploitation, especially during the Monaco Grand Prix, when the demand for sex workers rises.

TRADE

The possession and sale of weapons is strongly regulated in Monaco. Individuals who own firearms require government licenses and are subject to rigorous background checks. Monaco therefore has a very low firearm offence rate and the arms trafficking market in the principality is negligible, with the only apparent involvement of the country in the transnational market being their hosting of a renowned arms dealer.

ENVIRONMENT

The French customs authorities in charge of border controls in Monaco have often made seizures of endangered and illicit flora species on luxury yachts in the port, but this appears to be the extent of the flora crimes market in the country. Monaco is totally urbanized and, with the exception of isolated incidents, there is very little evidence to suggest any sort of illicit fauna crimes market. There does not appear to be an active criminal market for smuggling of non-renewable resources, but allegations point to bribes being paid to officials in return for lucrative contracts in the oil industry.

DRUGS

Cannabis is a popular drug in Monaco and is used predominantly by young males. Reports suggest that, as with cocaine, individuals often travel to France to purchase the drug. While it is illegal in Monaco, discrete use seems to be tolerated by the authorities. There is no evidence that the cannabis market is any larger than small-scale individual distribution, though there is a trend towards cultivation. Monaco is a destination country for small quantities of cocaine that are brought in from France. In 2018, French police dismantled a cocaine trafficking route run by two brothers based in Menton and Monaco. However, the market is limited to episodic individual-level distribution.

The trafficking of heroin in Monaco is also extremely limited, with data suggesting that it is not a drug used by

students or the wider population. The supply points for the small amounts of heroin brought into the country are located in neighbouring French cities. There appears to be a similarly small synthetic drug market, though there is concern that the growing use of ecstasy in Western and Central Europe may spread to Monaco.

CRIMINAL ACTORS

There is no evidence to suggest that any domestic mafia-style groups operate in Monaco, but groups from nearby countries seem to be active. Due to Monaco's history as a tax haven and its strict banking secrecy, it has attracted individuals with ties to organized crime. The majority of Monaco's population is not native to the principality, and this facilitates the operations of foreign criminal actors and organizations. There is strong evidence that individuals with transnational organized crime links do business in Monaco, such as mafia groups from Italy, Russia and former Soviet states. Foreign actors allegedly use connections in Monaco to launder the oil profits of the Tambovskaya gang.

There is scant evidence for the presence of criminal networks in the country. It is likely that loose criminal structures cooperate with foreign criminal actors, and are involved in the laundering of criminal proceeds in Monaco. The only notable recent example of criminal activity by state-embedded actors was the so-called vast influence-peddling scandal of 2017, which involved Russian oligarchs and prompted the resignation of the principality's minister of justice. Despite this, the state does not appear to have been infiltrated by criminal interests.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Organized crime is not a significant problem in Monaco, and there is no evidence to suggest any kind of state capture by organized criminals. There is a high level of confidence in the democratic and election processes; however, concerns have been raised about the principality's low level of compliance with anti-corruption recommendations. While there are anti-corruption squads in the principality's law enforcement agencies, corruption, although well-hidden, is present. Thus, GRECO has voiced concerns over the Monaco's compliance with international anti-corruption standards. Access to information in Monaco is extremely poor, and the principality faces pressure from the international community to reform its banking secrecy laws.

Monaco has signed international treaties and conventions related to all the major criminal markets. However, its progress from ratification to implementation has been slow. The principality has cooperation agreements in place with INTERPOL, Europol and Francopol. It also has bilateral extradition agreements with many countries in Western and Eastern Europe, as well as with the US and Australia. Monaco's national legislation, which is continually updated and improved, provides it with protection against the majority of criminal markets.

CRIMINAL JUSTICE AND SECURITY

Individuals sentenced for common-law offences in Monaco are transferred to prisons in France and subject to French legislation. The vast majority of prisoners are foreign. It appears that the principality has complete control over its domestic prison system, with the rights of prisoners provided for and very low levels of corruption reported.

The policing system is strong in Monaco, with one of the highest officers-to-population ratios in the world. This, combined with the low level of organized crime in the principality, ensures that its criminal markets are policed effectively. Monaco customs duties fall under French jurisdiction, and capital is free to flow between the countries without restriction or tax collection. As a result, Monaco falls under the customs body of the EU. It appears to have some capacity for monitoring illicit cross-border activities, though this is proportionate to the low levels of threat.

ECONOMIC AND FINANCIAL ENVIRONMENT

Historically, Monaco has been seen as an uncooperative tax haven. It came under significant international pressure to adopt the OECD Model Tax Convention in 2009, and since then has pursued an active policy of combating money laundering and terrorist financing. Monaco has adopted

mechanisms recommended by the Financial Action Task Force and has regularly amended and strengthened its compliance with international standards. The government created a financial investigation unit and is modernizing the country's banking and financial sector to make it more resilient to money laundering threats.

While Monaco is proactive and effective in its prosecution of domestic crimes of extortion, there are concerns that its tolerant regulatory environment with regard to transnational organized crime is extremely problematic.

CIVIL SOCIETY AND SOCIAL PROTECTION

Monaco has laws providing for the compensation and legal representation of victims of crimes, especially with regard to sexual violence. The Victims of Criminal Offences Help Association works to prevent violence against victims and witnesses, and operates free of charge, alongside other victim-support programmes and mental-health services. Monaco is a signatory to numerous international treaties designed to prevent organized crime; however, it appears unable to prevent authoritarian heads of state and corrupt individuals from entering its borders and operating within them. The principality seems to prefer ethical charters rather than robust legislation to guide its prevention efforts.

There are no restrictions on the formation of NGOs, but the civil-society sector is weak. Civil liberties, including freedom of expression within the media, are fully respected in Monaco. However, efforts on part of the state to suppress bad public relations related to corruption have been at times very aggressive.

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