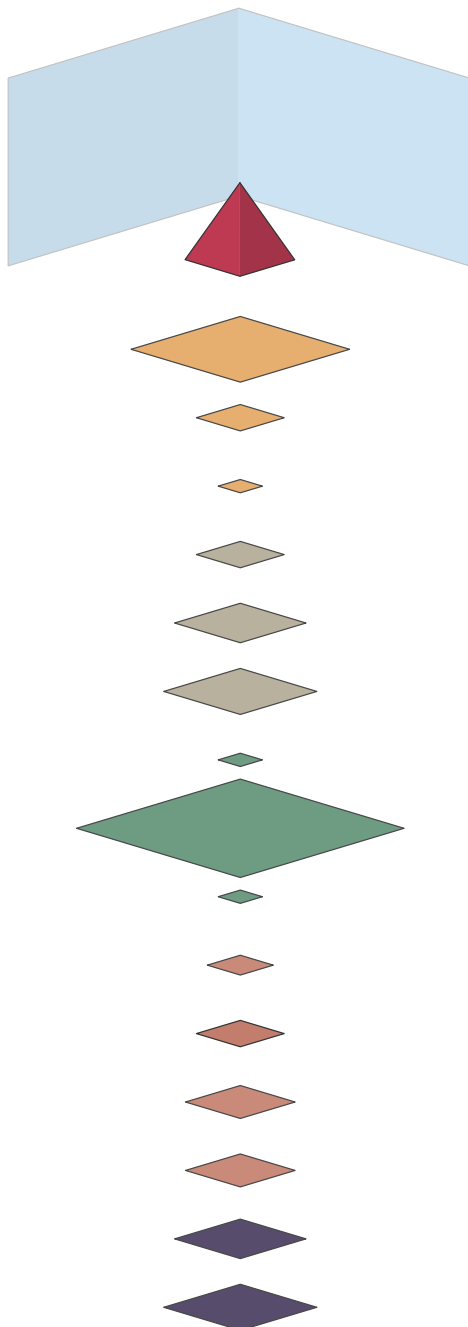


MARSHALL ISLANDS



2.52

CRIMINALITY SCORE

186th of 193 countries
9th of 14 Oceanian countries
3rd of 5 Micronesian countries



CRIMINAL MARKETS

2.73

HUMAN TRAFFICKING	5.00
HUMAN SMUGGLING	2.00
EXTORTION & PROTECTION RACKETEERING	1.00
ARMS TRAFFICKING	2.00
TRADE IN COUNTERFEIT GOODS	3.00
ILLICIT TRADE IN EXCISABLE GOODS	3.50
FLORA CRIMES	1.00
FAUNA CRIMES	7.50
NON-RENEWABLE RESOURCE CRIMES	1.00
HEROIN TRADE	1.50
COCAINE TRADE	2.00
CANNABIS TRADE	2.50
SYNTHETIC DRUG TRADE	2.50
CYBER-DEPENDENT CRIMES	3.00
FINANCIAL CRIMES	3.50



CRIMINAL ACTORS

2.30

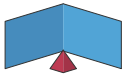
MAFIA-STYLE GROUPS	1.00
CRIMINAL NETWORKS	2.50
STATE-EMBEDDED ACTORS	3.00
FOREIGN ACTORS	3.00
PRIVATE SECTOR ACTORS	2.00



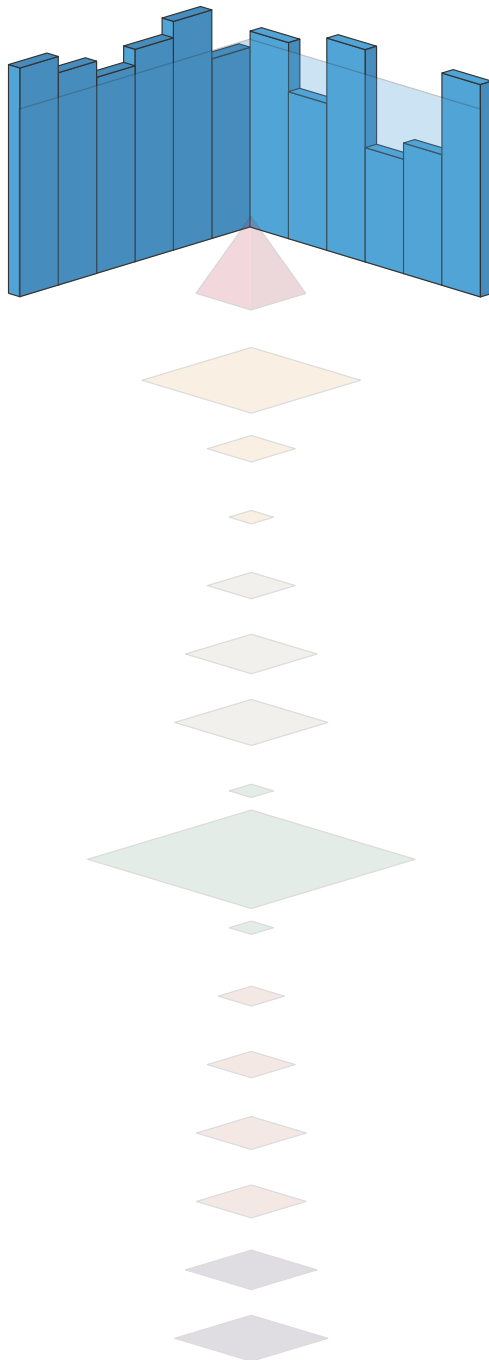
5.79

RESILIENCE SCORE





MARSHALL ISLANDS



5.79

RESILIENCE SCORE

45th of 193 countries

6th of 14 Oceanian countries

2nd of 5 Micronesian countries

POLITICAL LEADERSHIP AND GOVERNANCE	7.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	6.50
INTERNATIONAL COOPERATION	6.00
NATIONAL POLICIES AND LAWS	6.50
JUDICIAL SYSTEM AND DETENTION	7.00
LAW ENFORCEMENT	5.50
TERRITORIAL INTEGRITY	6.00
ANTI-MONEY LAUNDERING	4.50
ECONOMIC REGULATORY CAPACITY	6.50
VICTIM AND WITNESS SUPPORT	3.50
PREVENTION	4.00
NON-STATE ACTORS	6.50



2.52

CRIMINALITY SCORE



CRIMINAL MARKETS 2.73



CRIMINAL ACTORS 2.30



CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Human trafficking remains a significant criminal market in the Marshall Islands and is one of the major types of transnational crimes in the country. By regional standards, the extent and nature of trafficking in people are more far-reaching than in most other Pacific Islands countries. The domestic market for sex trafficking is a problem, with Marshallese and Asian women and girls being vulnerable to this criminal activity. Hotel and bar staff, as well as family members, often recruit them for sex trafficking with foreign construction workers and crewmembers of foreign fishing and trans-shipping vessels that dock in Majuro. Traffickers also exploit some of these foreign fishermen in conditions indicative of forced labour on ships in Marshallese waters. Some wealthier or more powerful family members use traditional cultural practices to exploit impoverished Marshallese from the outer islands to serve as indentured labour on their property. In relation to the transnational market, some Marshallese searching for work in the US experience indicators of trafficking, such as passport confiscation, excessive work hours and fraudulent recruitment. Moreover, Marshallese children are transported to the US, where they are subjected to situations of sexual abuse with indicators of sex trafficking.

In contrast, there are no specific reports of people transiting through the Marshall Islands, and the smuggling of individuals does not appear to affect the country on any significant scale. Although there have been allegations of foreign nationals attempting to acquire travel or identity documents from the Marshall Islands to gain access to the US, such activities have ceased in recent years. The levels of human smuggling in the region are low, and the Marshall Islands are likely to be below the regional average. There is no information regarding extortion and protection racketeering.

TRADE

Stolen firearms have been reported in the Marshall Islands. However, the reach of the arms trafficking market in the country is not well understood due to insufficient information. Overall, this trade does not seem to be a significant source of profit or financial transactions.

Counterfeit and excise goods trade in the Marshall Islands is also not likely to occur on a significant scale due to factors such as the country's remote location, small population and buying power. However, there has been an increase in the trade of counterfeited goods in the region, with a growing demand in recent years. Counterfeited items, such

as textile goods, foodstuffs and pharmaceutical products are increasingly prevalent in the country. Similarly, the illicit trade in excise goods, specifically tobacco products, has also been on the rise in the region and hence in the country, due to the increasing levels of excise taxes.

ENVIRONMENT

The Marshall Islands does not appear to be a significant location for flora crimes, as the small forest size and remote location suggest that there are no timber exports or significant criminal opportunities. Fauna crimes, on the other hand, are a significant issue, with trafficking in protected fauna being the most significant transnational crime affecting the country. Irregular, unreported and unregulated (IUU) fishing – especially of tuna – has far-reaching consequences for local communities, fish stocks and the national economy. While IUU fishing in the Pacific is lower than previously thought, the Marshall Islands still faces significant issues, with up to one in every five wild-caught fish being illegally caught. The country's income from the fishing industry has grown 10 times in a decade, suggesting that IUU fishing is becoming increasingly profitable. In fact, Asian fleets with oversize fishing trawlers continue to threaten regional food security.

The major natural resources on the Marshall Islands include phosphate deposits, marine products and deep seabed minerals. However, there is no evidence to suggest that a non-renewable resources criminal market exists due to the lack of criminal opportunity available.

DRUGS

Trafficking of heroin does not occur on any noticeable scale into or through the Marshall Islands. Nor is there evidence that the wider cocaine trade affects the country as a transit hub or destination. While the archipelago's proximity to some cocaine shipping routes and its relationship with the US pose a risk from trafficking, there are no reports confirming such fears. Nonetheless, there have been cases of shipments washing up near Marshall Islands' shores, indicating that some seaborne trans-shipments pass through its waters.

Cannabis in the Marshall Islands is mainly locally grown to supply the small domestic market. Prices and profits appear to be low, and there is contention surrounding whether cannabis use is declining. Also, amphetamine-type stimulants may be produced and traded in low quantities in or through the country, but there is no evidence of this market affecting the local population. Despite this, the Marshall Islands reports the highest annual prevalence

rate of drug consumption among Pacific Island states and territories.

CYBER-DEPENDENT CRIMES

The low penetration of the internet in the Marshall Islands makes it less vulnerable to cyber-dependent crimes. However, due to the lack of IT capacities and awareness in the public sector and the population, the country is not ready to manage these events when they occur. In 2022, a distributed denial-of-service attack affected internet systems on the islands, which suffered from rolling outages. This was considered the second biggest cyber-attack in 10 years.

FINANCIAL CRIMES

Financial crimes, specifically tax evasion, corruption and phishing occur in the country, albeit to a more limited extent compared to some other Pacific Island nations.

CRIMINAL ACTORS

The Marshall Islands is unlikely to have mafia-style groups operating there due to small criminal markets and a low

population. In this sense, foreign actors are behind most organized and transnational criminal activities. Cross-border trade and transit shipment-related crimes, such as trafficking in marine species and amphetamines/cocaine, often involve private and commercial entities from foreign countries. To a limited extent, the deportee policy of the US has contributed to the growth of transnational crime in the Marshall Islands, as most of the deportations were caused by criminal activities committed by the deportees. Concerns over Chinese influence on the Marshall Islands' independence persist, despite the country's trade deal with Taiwan and deep ties to the US.

Moreover, traditional cultures of gift-giving and conflicts of interest in the country can present challenges for addressing corruption, especially among government officials with close familial connections. While auditing bodies and independent courts are effective in detecting abuses and holding officials accountable, high-ranking officials are rarely prosecuted. Minor corruption and opportunistic crimes may arise due to relatively low incomes earned in the public sector. Except for one case of money laundering, there is little evidence indicating links between the private and financial sectors and organized crime.

RESILIENCE

LEADERSHIP AND GOVERNANCE

The Marshall Islands is considered a free country with generally respected civil liberties. There are no reports of mistrust from the public or campaigns against the government or elected officials. The governance of the country is considered stable and democratic, with regular elections, an independent judiciary and a free press. Despite persistent problems, the political leadership's commitment to addressing transnational crime appears genuine. In fact, steps have been taken to address IUU fishing and human trafficking. However, corruption, gender discrimination, domestic violence and human trafficking continue to be problematic. While there is no strong legal mechanism for obtaining access to government information, documents can be obtained through the courts. Auditors have found issues with spending practices at government ministries, agencies and state-owned enterprises, which may impact foreign aid, government procurement and licensing.

The Republic of the Marshall Islands has close relations with the US as it allows the American military to operate in the country in exchange for defense guarantees and development assistance. There are concerns about what

will happen after 2023, when the agreement, and thus the annual aid, ceases. Members of the United States Congress recently introduced a resolution to recognize the legacy of US nuclear testing in the Marshall Islands. Also, the Marshall Islands formally lodged its intention to become a party to the Agreement on Port State Measures, demonstrating its commitment to working with regional and international partners to prevent and counter IUU fishing. In general, the Marshall Islands is active in the international and regional community and is a member of various international organizations and agreements. Moreover, the country has legislation that covers key crime types and is well positioned to respond to major offences that may involve overseas crime groups. However, limited capacity and resources appear to be the main reason why national laws are not drafted and enacted as fast as they could be otherwise.

CRIMINAL JUSTICE AND SECURITY

The Marshall Islands has an independent judiciary system that generally operates without political interference. Judges are appointed by the cabinet and confirmed by the legislature. The authorities typically follow legal safeguards against arbitrary arrest and detention, and provide lawyers for indigent defendants. However, the country's few prison and jail facilities have sometimes been overcrowded and below international standards. The judiciary and prosecutors may lack specific expertise on transnational organized crime, but this has not been flagged as a major concern.

Law enforcement in the Marshall Islands faces challenges due to limited resources and the country's geographic scope. The use of firearms is only lawful in specific circumstances, but reports suggest that excessive force is sometimes used. There is a need for a dedicated role in law enforcement to focus on anti-trafficking efforts, but the government acknowledges a lack of technical capacity and institutionalized law enforcement training, recruitment, facilities and funding as obstacles. While some initiatives have been taken to enhance law enforcement capacities, training and cooperation, there is still room for further improvements.

The Marshall Islands is part of the larger island group of Micronesia. Like other Pacific Islands countries' adjacent high seas, the Marshall Islands remains vulnerable to fisheries crimes, due to the size of its Exclusive Economic Zones and limited capacity to patrol them. Overall, however, the Marshall Islands does not face an extensive criminality issues nor territorial challenges. The country does not have the capacity to resist cyber infiltration. The National Telecommunication Authority has recognized that the population ignores basic cybersecurity good practices, which opens up vulnerabilities that might be exploited in future.

ECONOMIC AND FINANCIAL ENVIRONMENT

The Marshall Islands faces challenges in countering money laundering and terrorist financing. Anti-money laundering agencies operate but lack adequate technical and human resources to counter such crimes effectively. Some initiatives to improve the legal and regulatory framework also appear to have stalled, with some of its regulations having significant and long-standing deficiencies.

Despite being a middle-income country, the Marshall Islands has low human development, and its average economic growth has been low by global standards and subject to high volatility. Private sector activity is limited, and state-owned enterprises are active in most key economic sectors.

The expiration of financial assistance from the US in 2023 poses a significant risk to the country's economic growth and development. The inability of foreign citizens to own real estate/land may deter organized criminal groups, although it may also hamper economic development. Although the current economic regulatory environment may discourage business activity and foreign investment, there are no indications of businesses or the economy being infiltrated by criminal elements, especially from abroad.

CIVIL SOCIETY AND SOCIAL PROTECTION

The government has established a specialized anti-trafficking unit within the Attorney General's office, implemented its national action plan and continued to fund some protection services available to victims. NGOs play a significant role in supporting victims of crime and have received funding to deliver legal assistance, counseling, examinations for sexually transmitted diseases, and refuge and survivor support to female victims between 14 and 18 years old.

Despite this, the government did not identify any trafficking victims and continued not to utilize proactive procedures to identify them. Additionally, it did not prosecute any traffickers and has not convicted any since 2011. Moreover, the government did not provide long-term alternatives to removal to countries where victims may face hardship or retribution and did not have an anti-trafficking hotline. Currently, there are some preventive measures in place to combat human trafficking, such as banning unregistered visitors on foreign fishing boats in Majuro and requiring crewmen to bring their ships in by nightfall.

Freedom of speech is generally respected in the Marshall Islands and there are no significant restrictions on academic freedom. There are various active civil society groups, most of which are sponsored by or affiliated with church organizations, and they are operating freely and independently while providing social services. A privately owned newspaper publishes articles in both English and Marshallese, and broadcast outlets include government and church-owned radio stations with cable television offering international news and entertainment programmes. While internet access is expanding, poor infrastructure and high costs limit access to less than half of the population.

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