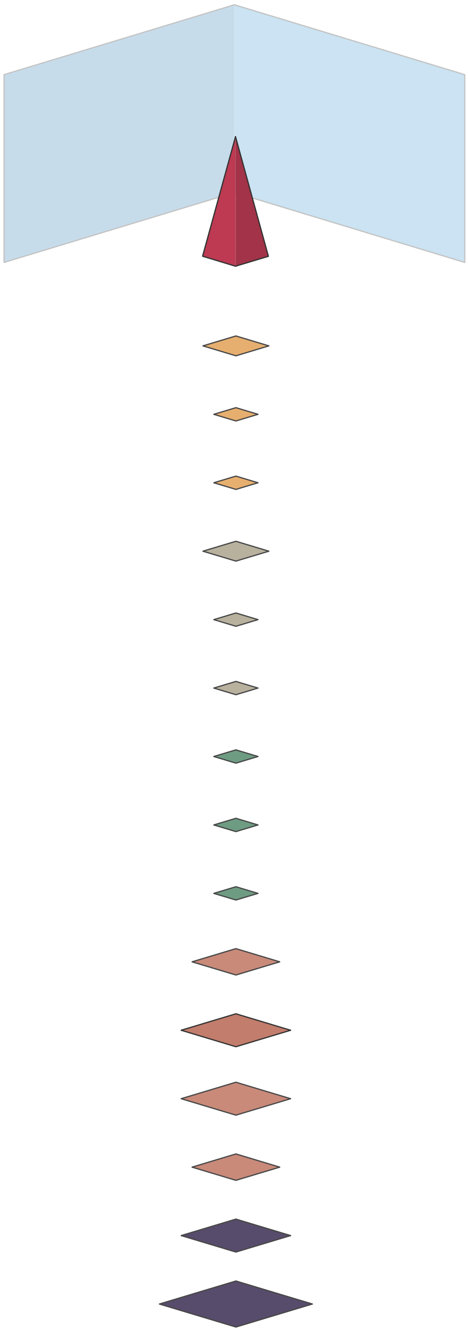
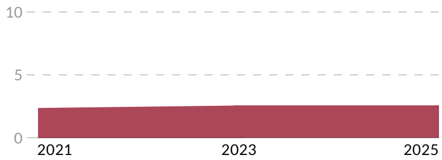
MONACO



2.58 ↗0.00
CRIMINALITY SCORE

184th of 193 countries ↗1
43rd of 44 European countries -
8th of 8 Southern European countries -



CRIMINAL MARKETS	1.67	↘0.00
HUMAN TRAFFICKING	1.50	↘0.50
HUMAN SMUGGLING	1.00	0.00
EXTORTION & PROTECTION RACKETEERING	1.00	0.00
ARMS TRAFFICKING	1.50	0.00
TRADE IN COUNTERFEIT GOODS	1.00	0.00
ILLICIT TRADE IN EXCISABLE GOODS	1.00	0.00
FLORA CRIMES	1.00	0.00
FAUNA CRIMES	1.00	0.00
NON-RENEWABLE RESOURCE CRIMES	1.00	↘0.50
HEROIN TRADE	2.00	0.00
COCAINE TRADE	2.50	↗0.50
CANNABIS TRADE	2.50	0.00
SYNTHETIC DRUG TRADE	2.00	0.00
CYBER-DEPENDENT CRIMES	2.50	↘0.50
FINANCIAL CRIMES	3.50	↗1.00

CRIMINAL ACTORS	3.50	0.00
MAFIA-STYLE GROUPS	1.00	0.00
CRIMINAL NETWORKS	2.50	↘0.50
STATE-EMBEDDED ACTORS	3.50	0.00
FOREIGN ACTORS	5.50	0.00
PRIVATE SECTOR ACTORS	5.00	↗0.50

This project was funded in part by a grant from the United States Department of State.

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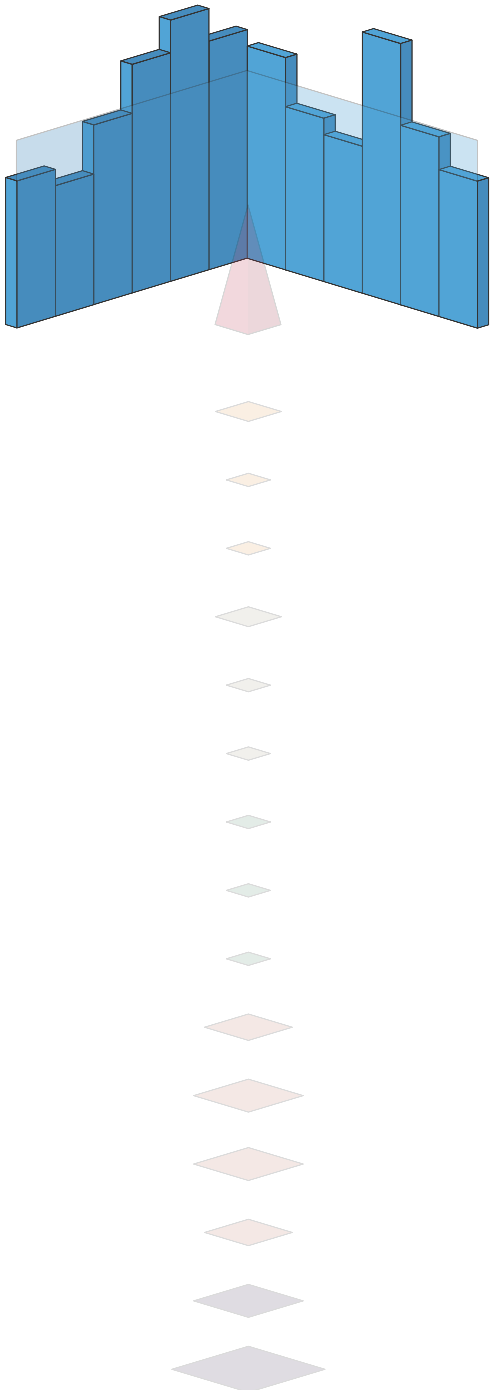
Funded by the European Union

ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

GLOBAL ORGANIZED CRIME INDEX

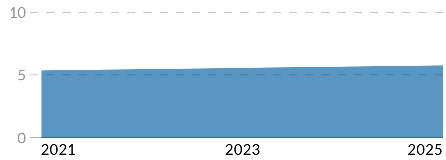
GLOBAL INITIATIVE AGAINST TRANSNATIONAL ORGANIZED CRIME

MONACO



5.83 ↗0.21
RESILIENCE SCORE

42nd of 193 countries ↗8
28th of 44 European countries -
4th of 8 Southern European countries -



POLITICAL LEADERSHIP AND GOVERNANCE	**4.50**	↗1.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	**4.00**	↘0.50
INTERNATIONAL COOPERATION	**5.50**	0.00
NATIONAL POLICIES AND LAWS	**7.00**	↗0.50
JUDICIAL SYSTEM AND DETENTION	**8.00**	0.00
LAW ENFORCEMENT	**7.00**	0.00
TERRITORIAL INTEGRITY	**6.50**	↗0.50
ANTI-MONEY LAUNDERING	**5.00**	↘0.50
ECONOMIC REGULATORY CAPACITY	**4.50**	↗0.50
VICTIM AND WITNESS SUPPORT	**8.00**	0.00
PREVENTION	**5.50**	↗0.50
NON-STATE ACTORS	**4.50**	↗0.50

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CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Human trafficking remains negligible in Monaco, with no confirmed exploitation cases or identified victims. However, its open border with France and proximity to the Alpes-Maritimes region remain sources of vulnerability. The annual Monaco Grand Prix draws significant tourism and demand for sex work, but no reports have linked this event to human trafficking. Although there is no evidence of systemic labour exploitation, concerns persist regarding domestic workers, construction labourers, hospitality employees and yacht staff.

Human smuggling is virtually non-existent in Monaco, with the principality playing only a marginal role in regional migration flows despite its location between Italy and France. There is almost no evidence to suggest an organized smuggling market operating within its borders.

There have been no recorded incidents of extortion or protection racketeering in Monaco during the reporting period.

TRADE

Although arms trafficking is not a prominent criminal market in Monaco, isolated incidents have emerged. A recent case involved hidden funds in several financial institutions that were linked to arms traffickers operating from Switzerland. Overall, Monaco maintains strict regulations on firearm possession, requiring government-issued licenses and extensive background checks.

Monaco is neither a source nor a major transit point for counterfeit goods. The principality's high security presence, including over 500 surveillance cameras and a significant police force, generally deters such activities. Furthermore, Monaco's ports primarily accommodate private and leisure vessels rather than cargo, making large-scale counterfeit trade infeasible. Similarly, there is no reported evidence of illicit trade in excise goods within Monaco.

ENVIRONMENT

Monaco's complete urbanization precludes it from being a source, transit or destination country for flora-related crimes. There is no evidence to suggest an illicit market for flora crime within the principality. Similarly, there is no recorded illicit wildlife trade in Monaco. The principality's urban landscape makes it an unlikely origin, transit or destination point for wildlife trafficking. Monaco has no mining or natural resource extraction activities. There is no evidence to suggest that it plays a role in the illicit trade of non-renewable resources.

DRUGS

The heroin market in Monaco is minimal, with no significant trafficking networks or widespread use. Isolated individual-level distribution remains the only known activity related to heroin. Cocaine consumption in Monaco is believed to exist at low levels, though official data remains scarce. The limited market is likely supplied through small-scale trafficking from France. The absence of recent publicized seizures or law enforcement reports makes it difficult to assess the full extent of the market. Cannabis is the most commonly used illicit drug in Monaco. Although medical cannabis is permitted in pharmaceutical forms, recreational use remains illegal. The market appears to be composed mainly of individual-level sales, with no clear evidence of organized distribution networks. Synthetic drug use in Monaco is believed to be limited and primarily associated with youth demographics. Although broader European trends suggest an increase in MDMA consumption, Monaco-specific data is lacking. Any existing trade is presumed to involve sporadic and localized sales, often linked to neighbouring French towns.

CYBER-DEPENDENT CRIMES

Monaco does not have documented cybercrime organizations operating within its borders. However, the principality has experienced cyberattacks, particularly targeting public institutions and government services. Incidents involving malware and ransomware have been reported. In response to these growing threats, Monaco has aligned its cybersecurity policies with EU standards.

FINANCIAL CRIMES

Monaco has increasingly become susceptible to financial crimes due to its extensive international financial sector, particularly in wealth management. Between 2022 and 2024, Monaco imposed financial crime-related penalties on numerous companies, enforcing sanctions across financial, real estate and non-financial sectors. Real estate transactions represent a significant risk area, with fraudulent property acquisitions, document forgery and misappropriation of assets among the most common financial crimes. Online fraud cases are also recurrent, often in the form of investment scams, highlighting vulnerabilities in financial protections. Monaco is a prime target for money laundering due to its internationally focused financial services. Reports have underscored the principality's role in laundering proceeds from tax fraud committed abroad as tax evasion itself is not criminalized within Monaco. Moreover, internal conflicts among Monaco's political elite have revealed opaque financial management practices, including the use of offshore financial centres.

CRIMINAL ACTORS

There is no evidence of domestic mafia-style groups operating in Monaco. Law enforcement agencies have not identified any systemic or entrenched presence of such organizations within Monaco's borders, and there are no indications of local criminal groups exerting control over specific territories or industries. Like other microstates, however, Monaco attracts individuals with connections to transnational organized crime, especially those engaged in clandestine financial operations. Despite that, evidence of active criminal networks operating directly within the principality remains scarce.

There are limited indications of direct state involvement in criminal activities within Monaco. Although unverified allegations of fraud and corruption have been levied against certain high-ranking state officials and their associates, these remain largely speculative due to a lack of transparency in financial dealings and historical concerns over illicit finance. The principality's governance structure ensures a high degree of oversight, but opaque financial management practices raise concerns about potential vulnerabilities that could be exploited by individuals in positions of power. The potential for regulatory loopholes, particularly in financial oversight and wealth management, remains an area of scrutiny, though no concrete evidence suggests systematic collusion between state officials and criminal actors.

Monaco's significant foreign population and its reputation as a financial hub contribute to its attractiveness for international figures operating in both legitimate and illicit sectors. The principality has long been associated with discreet banking practices, which continue to draw individuals with connections to organized crime and authoritarian regimes, and those seeking to evade financial scrutiny. Evidence suggests that individuals linked to international organized crime networks frequently conduct business in Monaco. Law enforcement sources have pointed to connections between Monaco and various criminal organizations, including the Calabrian 'Ndrangheta and Neapolitan Camorra, which are believed to have operational networks within the country. The presence of high-profile criminal figures, such as those linked to Russian oligarchs and Eastern European mafias, underscores Monaco's role as a transit and business hub rather than a direct operational base. In November 2024, the presence of a high-ranking member of the Hells Angels, known for offenses related to human trafficking, extortion and arms violations, was noted in Monaco, further demonstrating the country's appeal to international criminals. However, authorities maintain high levels of vigilance, and there is no evidence to suggest that these groups exert significant influence over local institutions or markets.

The private sector in Monaco, particularly financial institutions and real estate services, plays a central role in shaping the country's exposure to organized crime. Although authorities maintain strict oversight over financial transactions and corporate services, the risks associated with money laundering and fraud remain prevalent. High-risk sectors include casinos, company service providers, trusts and virtual assets, all of which are susceptible to exploitation by illicit financial actors. Monaco's financial sector is intertwined with international money flows, making it difficult to distinguish between foreign and domestic actors in illicit financial activities. Although there is no definitive proof that private-sector actors actively facilitate organized crime, the potential for abuse remains significant. The real estate sector, in particular, presents a high-risk profile due to the large volume of transactions involving luxury properties and high-net-worth individuals. Additionally, Monaco's recent 'grey listing' for deficiencies in banking and financial transparency, along with the ongoing trial of six bank executives for alleged money laundering, suggests that systemic vulnerabilities persist in the financial sector.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Organized crime does not pose a significant challenge in Monaco, and there is no evidence to suggest political infiltration by criminal groups. The government's ability to conduct transparent elections and maintain a strong stance against financial crime and money laundering reinforces public trust in democratic institutions. The country operates as a constitutional monarchy, with legislative authority shared between the prince and a freely elected parliament. Monaco has not experienced internal or external conflicts in recent decades, contributing to its stability. The government has further reinforced its commitment to combating financial crimes by implementing a national strategy against money laundering, with objectives that include legislative strengthening, resource enhancement, improved monitoring and international cooperation.

Despite political stability, concerns persist regarding Monaco's limited compliance with international anti-corruption recommendations. Instances of high-level corruption have surfaced in recent years, raising concerns about transparency. The country ranks poorly in access to public information, as transparency laws are restrictive and do not provide adequate public access to government decision-making. However, in recent years, improvements in governmental ethics and transparency have been noted. International scrutiny has also increased, particularly concerning Monaco's banking secrecy laws, which have undergone gradual reforms in response to external pressure.

Monaco has signed multiple international treaties addressing organized crime, money laundering and terrorism financing. These include agreements on asset seizure, extradition and financial crime prevention. The country has extradition treaties with multiple jurisdictions, including France, Italy, the US and the UK. Monaco also collaborates with INTERPOL, Europol and Francopol, enhancing its participation in global law enforcement initiatives. However, gaps exist between treaty ratification and enforcement, with a restrictive interpretation of dual criminality leading to the rejection of numerous extradition requests. Nevertheless, Monaco remains engaged in international forums and hosts regular conferences on transnational criminal issues. The country often collaborates with French authorities in dismantling transnational organized crime groups involved in money laundering, corruption and arms trafficking.

Although Monaco has low crime rates, the government has enacted several legal reforms to align with international standards. In the reporting period, Monaco has amended its laws on human trafficking, expanding protections for victims and increasing penalties for offenders. The country has also enhanced anti-money laundering measures, with recent legislation expanding due diligence requirements and bolstering protections for whistleblowers. Additionally, laws criminalizing obstruction of justice and corruption have been strengthened over the years. Monaco has also taken steps to regulate cybercrime, aligning its legal framework with EU standards.

CRIMINAL JUSTICE AND SECURITY

Monaco's judicial system maintains independence despite occasional concerns over high-level corruption. The principality operates a single detention facility, with long-term prisoners transferred to French prisons under agreements governed by French law. Monaco's prison population is predominantly composed of non-citizens, reflecting the international nature of its transient criminal cases. Although the justice system ensures compliance with human rights standards, some sources note a low number of convictions and confiscation orders related to financial crimes. The government established a department to oversee seized assets, marking progress in addressing financial crime-related enforcement.

Monaco's law enforcement agencies are highly professionalized and benefit from extensive surveillance capabilities, including over 1 000 security cameras covering the principality. A specialized unit within the police force addresses crimes against minors, including online exploitation. Although Monaco lacks a dedicated agency targeting organized crime, an organized crime section within the Criminal Investigation Division investigates major offenses such as drug trafficking and pimping. Despite these capabilities, gaps remain in cybercrime expertise, posing challenges in responding to evolving digital threats.

Although Monaco's small size and well-monitored borders limit illicit cross-border activity, the principality remains dependent on French authorities for customs enforcement. Monaco's customs duties are administered by France under a long-standing agreement, and the country does not maintain a national customs agency. Nevertheless, Monaco has implemented robust surveillance measures to detect and prevent unauthorized border movements.

ECONOMIC AND FINANCIAL ENVIRONMENT

Monaco's placement on the Financial Action Task Force grey list in 2024 marked a critical juncture, prompting the government to enhance anti-money laundering measures. The principality has introduced stricter penalties, increased regulatory oversight and expanded the powers of financial intelligence authorities. However, gaps remain in handling complex money laundering cases, particularly regarding asset recovery and cross-border financial crimes. The number of money laundering convictions remains low, and financial intelligence is not fully utilized by investigating authorities. Nonetheless, Monaco continues to enhance its compliance with international anti-money laundering standards, tighten cryptocurrency regulations and strengthen cooperation with financial oversight bodies.

In recent years, regulatory reforms led to a significant rise in business de-registrations, primarily due to stricter beneficial ownership requirements. However, deficiencies in transparency and risk assessment remain challenges, and Monaco's reputation as a financial hub continues to attract scrutiny.

CIVIL SOCIETY AND SOCIAL PROTECTION

Monaco offers legal protections and compensation for victims of crime, including those affected by sexual violence and human trafficking. The government provides access to mental health services and legal assistance, and recent legislative amendments have strengthened victims' rights. However, accessibility remains a concern, particularly regarding support services for minors. Although a dedicated helpline for child victims of sexual exploitation exists, its effectiveness is limited by the fact that it is not free of charge, potentially restricting access for vulnerable individuals.

Monaco has implemented educational programmes on child exploitation, corruption and financial crimes. Schools provide awareness training on sexual abuse and trafficking, while professionals working with children receive specialized instruction. The government has also issued guidelines for financial institutions to prevent money laundering and terrorism financing. Cybersecurity awareness initiatives have been launched, aiming to reduce the risk of cyberattacks and identity theft. Additionally, Monaco's financial crime prevention strategy includes measures to enhance cooperation between regulatory bodies and international partners.

Civil society in Monaco is relatively limited due to the small population and high reliance on state institutions. Although the government permits the establishment of NGOs, most organizations struggle to maintain funding and operational capacity. International NGOs, particularly from France, have played a role in addressing issues such as corruption and financial crime. The media environment is generally open, though press coverage tends to favour government perspectives. Laws criminalizing defamation against the ruling family remain in place, though they are rarely enforced. Civil society organizations provide support services for victims of crime, including legal assistance and psychological support. However, there is no dedicated NGO sector focusing exclusively on organized crime issues within Monaco.

This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.