

Fostering Development through the Fight against Corruption and Money Laundering in the EU's Neighborhood Policy

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INTRODUCTION

- The EU at a Turning Point in its History
- The Current Approach to Development
- The Fight against Corruption and Money Laundering: Two Growing Fields of EU Action
- The European Neighborhood Policy –ENP-: An Alternative to Enlargement?
- Focus on 3 Southern and 3 Eastern Countries
- Can the ENP Contribute to Developing Partner Countries?

- The Need to Fight Corruption and ML in Developing Countries
Corruption = Monopoly + Power – Transparency –Prof Robert Klitgaard-
- Direct and Indirect Contribution to Economic Growth: Fighting Economic Inefficiencies Induced by Corruption and Empowering more Devoted Decision-Makers
- The Rule of Law: a Major Development Standard Put Forward by the EU
- Different Dimensions of Development:
 - Human Development –Health, Education, Literacy, Food Security, Life Expectancy
 - Sustainable Development –Economic, Social and Environmental Development-
 - Institutional Development: Having Functional Institutions and Promoting the Rule of Law –Fighting Corruption-

The EU's Neighborhood Policy

- 2004 Creation of the ENP
- 2008 The Union for the Mediterranean
- 2009 The Eastern Partnership
- 2011 The Partnership for Democracy and Shared Prosperity with the Southern Mediterranean
- 2015 Review of the ENP
- Joint Communication of the Commission and the High Representative 18 Nov 2015

The Framework of the Fight against Money Laundering within the EU

- FATF Recommendations: from the late 1980s to 2012
- EU Directives: 1991, 2001, 2005 and 2015
- The Predicate Offences
- The Risk-Based Approach: Relying on Professionals to Fight Money Laundering
- The 2015 Reform: Tax Fraud, PEPs and RBA

The Framework of the Fight against Corruption within the EU

- The Protection of the EU's Financial Interests: a centralized Mechanism, the Role of OLAF
- Flaws: the Link with National Prosecuting Authorities and Compliance with Procedural Rights
- The 2013 Reform of OLAF's Investigations
- Toward the Creation of an EPPO –the 17 July 2013 Proposal-

Fighting Corruption and Money Laundering in the EU's Neighborhood Policy

- UNGA 2030 Agenda for Sustainable Development
- Sustainable Development Goals
- No Comprehensive Approach
- Only Provisions in Bilateral Agreements

The Inclusion of Provisions Aimed at Fighting Corruption and Money Laundering

- Southern Partner Countries:
 - Algeria: Arts 87 & 91
 - Jordan: Art 78 –ML only-
 - Morocco: Art 61 –ML only-
- Eastern Partner Countries
 - Georgia: Arts 17 & 19
 - Moldova: Arts 16 & 18
 - Ukraine: Arts 20 & 22

Provisions Aimed at Fighting other Major Cross-Border Crimes

- Drug Trafficking
- Terrorism
- Illegal Migrations
- Trafficking of Human Beings
- Proliferation of Weapons

Positioning the Relevant Provisions in the Association Agreements

- After the Basic Freedoms of Movement – Algeria, Jordan, Morocco-
- Before most Economic Provisions: the Relevant Provisions Considered as Key Provisions –Georgia, Moldova, Ukraine-

The EU's Contribution to Implementing International Legal Instruments in Partner Countries

- Fighting Corruption: Implementing UNCAC
- Fighting Money Laundering: Implementing the FATF Standards

Implementation: Political Dialogue

- Political Dialogue: Lomé (Togo) Convention (1989) (Lomé IV Art 5) Cotonou (Benin) Convention (2000) Art 96
- If Developing Countries don't comply with Human Rights or Democracy
- Pressure, Inducement not Sanctions
- Implementation: "More for More" Approach

The ENP's Contribution to Development

- Financial Support: the ENI →Euro 15 Bn-
- Technical Assistance: Direct Assistance from EU Experts
- Capacity Building: Training of Local Officials by EU Experts