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Effectively combating the adverse consequences of dirty money

Motion for a resolution

tabled by the Committee on Social Affairs, Health and Sustainable Development

This motion has not been discussed in the Assembly and commits only those who have signed it

The creation and circulation of dirty money corrupts the real European economy, causes severe human tragedies, threatens security in society and encourages the formation of mafia-type economic powers which undermine democracy.

The sources and uses made of dirty money are many and varied: as the product of various forms of trafficking (human beings, organs, drugs, rigged betting, trading in influence and other cases of corruption) and endless attacks on property and the rule of law (theft, robbery, scams, fraud, confidence tricks, embezzlement, extortion, tax offences), dirty money makes its way into ordinary economic channels through handling of stolen goods and money laundering and a whole range of legal but unethical methods (front companies and similar legal entities, overpaid securities and real estate transactions, compensation mechanisms, etc.).

Detecting dirty money requires a sophisticated knowledge of financial tools and professional flair which must be developed among economic players, the police and the judicial authorities. Focusing initially on the suspicious origin of funds, it also requires greater attention to be paid to the destination of those funds and to the means whereby the unlawfully acquired funds are able to be put to use.

The international organisations, such as the United Nations, the World Bank and the FATF (Financial Action Task force), as well as the Council of Europe's MONEYVAL Committee, are taking action to enhance the effectiveness of the fight against dirty money, requiring very strong collaboration at international level. Following up on its Resolution 1847 (2011) on the underground economy: a threat to democracy, development and the rule of law and Resolution 1881 (2012) on promoting an appropriate policy on tax havens, the Parliamentary Assembly, as a front-line European player, should look at the progress made in the fight against dirty money and address recommendations to member States, calling on them to strengthen their legislation, increase their resources and step up their co-operation in this field.

