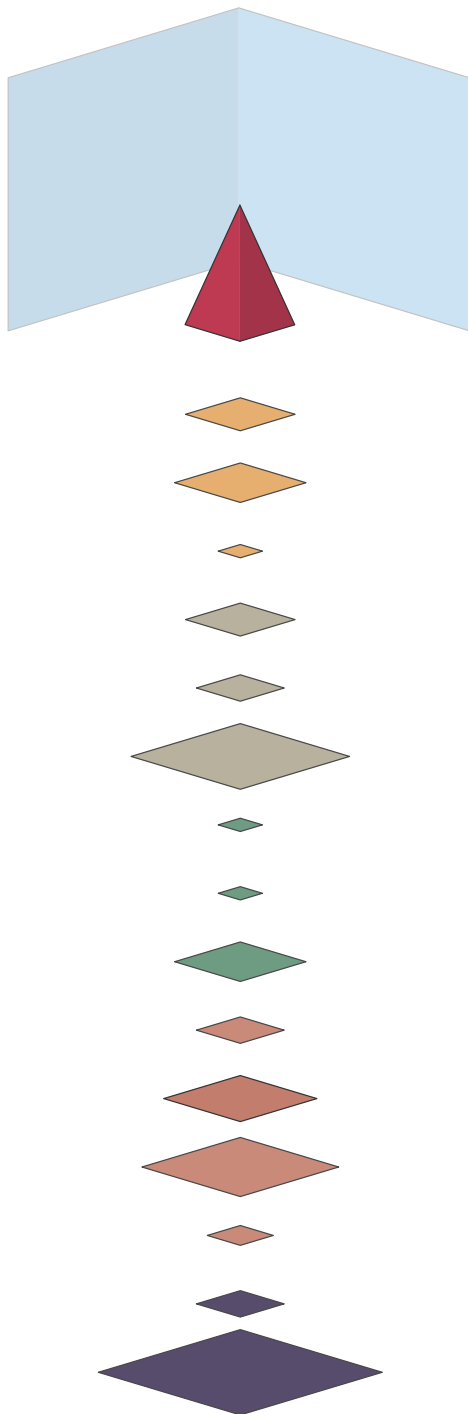


ANDORRA



3.22

CRIMINALITY SCORE

172nd of 193 countries

40th of 44 European countries

9th of 11 Western European countries



CRIMINAL MARKETS

2.73

HUMAN TRAFFICKING 2.50

HUMAN SMUGGLING 3.00

EXTORTION & PROTECTION RACKETEERING 1.00

ARMS TRAFFICKING 2.50

TRADE IN COUNTERFEIT GOODS 2.00

ILLICIT TRADE IN EXCISABLE GOODS 5.00

FLORA CRIMES 1.00

FAUNA CRIMES 1.00

NON-RENEWABLE RESOURCE CRIMES 3.00

HEROIN TRADE 2.00

COCAINE TRADE 3.50

CANNABIS TRADE 4.50

SYNTHETIC DRUG TRADE 1.50

CYBER-DEPENDENT CRIMES 2.00

FINANCIAL CRIMES 6.50



CRIMINAL ACTORS

3.70

MAFIA-STYLE GROUPS 1.00

CRIMINAL NETWORKS 4.00

STATE-EMBEDDED ACTORS 1.50

FOREIGN ACTORS 6.00

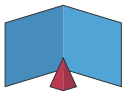
PRIVATE SECTOR ACTORS 6.00



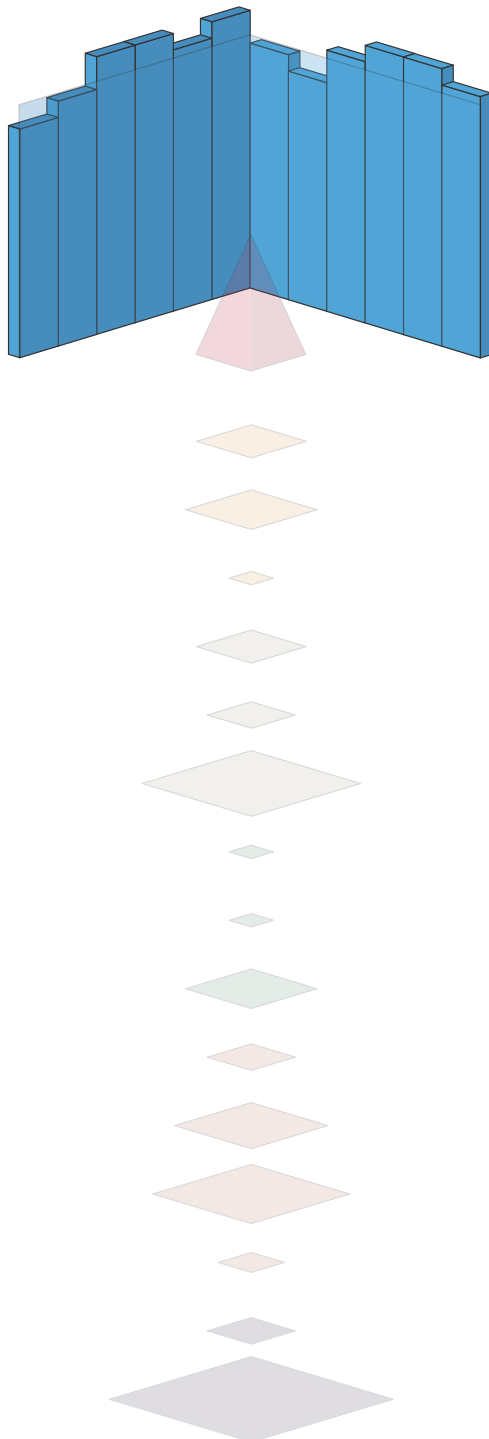
7.96

RESILIENCE SCORE





ANDORRA



7.96

RESILIENCE SCORE

6th of 193 countries

5th of 44 European countries

2nd of 11 Western European countries

POLITICAL LEADERSHIP AND GOVERNANCE	7.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	7.50
INTERNATIONAL COOPERATION	8.50
NATIONAL POLICIES AND LAWS	8.50
JUDICIAL SYSTEM AND DETENTION	8.00
LAW ENFORCEMENT	8.50
TERRITORIAL INTEGRITY	7.50
ANTI-MONEY LAUNDERING	7.00
ECONOMIC REGULATORY CAPACITY	8.00
VICTIM AND WITNESS SUPPORT	8.50
PREVENTION	8.50
NON-STATE ACTORS	8.00



3.22

CRIMINALITY SCORE



CRIMINAL MARKETS 2.73



CRIMINAL ACTORS 3.70



CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Despite concerns over instances of forced labour in the seasonal and domestic work industries, no data is available to confirm the existence of a human trafficking market in Andorra. Human trafficking is criminalized in the country's penal code, but a lack of training and systematic identification procedures for human trafficking cases may account for the absence of detected cases. Conversely, successful preventative measures undertaken by the government and routine patrols along the borders of France and Spain may be responsible for deterring human trafficking.

Andorra has low rates of human smuggling in comparison to neighbouring Spain and France, where the market is significantly larger. It can be assumed that Andorra is not a starting point for human smuggling networks, nor a significant transit or destination country. Nevertheless, foreign actors have been prosecuted for their involvement in human smuggling, having sold Andorran resident permits to Chinese nationals, then smuggled them through Andorra into France. Andorra refuses to allow European forces to control its border, which would lead to a more coordinated effort to manage human smuggling in the region. There is no evidence indicating the existence of extortion and protection racketeering in Andorra.

TRADE

Arms trafficking occurs in Andorra but on a very small scale. Most cases typically involve weapons being smuggled from Andorra into France, as it is easier to acquire them in Andorra. It can be assumed that profits made from the illicit market are accrued by foreign actors and that demand comes from external sources. There is no evidence of local violence caused by actors engaged in arms trafficking.

Since there is little hard evidence to support the existence of a counterfeit goods market, it is possible to speculate that it is not a major threat in Andorra. Having said that, counterfeiting is still a concern and remains under the radar of the Andorran authorities, according to INTERPOL. Conversely, the illicit trade in excise goods is prevalent in the country and mainly consists of tobacco smuggling. As tobacco tax is lower than in neighbouring Spain and France, every year there are multiple cases of tobacco smugglers operating from Andorra. Tobacco is distributed to countries outside the regulated trade market for the purpose of tax evasion. Historically, smugglers have used the mountainous border with Spain and France to move goods.

ENVIRONMENT

There is no developed criminal market for flora in Andorra and no evidence of flora being brought illegally into or out of the country. Similarly, no significant criminal market for fauna exists in Andorra. Andorra takes pride in conserving its environment, as it is one of the country's largest assets.

While non-renewable resource crimes are infrequent in Andorra with minimal influence on society and accruing limited value, the trafficking and laundering of precious metals and minerals does occur, albeit on a small scale. Jewellery is one of Andorra's most significant commercial sectors, and several cases have been recorded of Andorran citizens illicitly trafficking of gold and diamonds. The country was once considered a tax haven, which has probably increased the likelihood of money laundering schemes related to the trade in natural resources.

DRUGS

Illicit drug trafficking does not pose a substantial threat in Andorra, as the local consumption of narcotics is low and drug traffickers in the region prefer more accessible routes through the ports of Perpignan and Biarritz in France and through ports in Spain. However, cases of heroin being trafficked into Andorra have been recorded, mainly involving loose criminal networks. Based on seizure statistics, it is likely that there is a larger market for cocaine than heroin, albeit still limited. Most seizures, however, involve Spanish and French tourists, as well as other non-residents who intend using the drug for personal consumption. Nevertheless, large quantities of cocaine destined for local markets have also been seized.

The cannabis market is the biggest drugs-related threat in Andorra, although the market is not as big as it is in neighbouring countries. The local production of cannabis has increased in recent years, as have cannabis imports from neighbouring countries. Cannabis appears to be smuggled mostly from Spain and to a lesser extent from France, predominantly by criminal networks consisting mainly of Andorran residents. Trafficking routes reportedly go through official checkpoints and the mountainous terrain on country borders. The synthetic drugs market remains small, despite the increased proliferation of psychoactive substances in the region in recent years. Synthetic drugs are nevertheless trafficked into Andorra, coming primarily from northern Europe in cocaine and cannabis shipments.

CYBER-DEPENDENT CRIMES

Cyber-dependent crime does not appear to be a major criminal market in Andorra and therefore does not represent a significant threat. However, there is anecdotal evidence of such crimes, especially in the form of cryptocurrency fraud. The national police force lacks a specialized unit to undertake investigations into cyber-dependent criminal activities, which makes it even more difficult to identify and prosecute such cases.

FINANCIAL CRIMES

In general, the increased control over the financial system has resulted in positive measures that prevent criminal organizations from committing financial crimes in Andorra. However, recent investigations show that the country has been used by some criminal organizations to evade taxes and hide money from other countries. Low taxes have attracted people reportedly involved in Ponzi schemes. Authorities and investigators from many countries are still carrying out operations and criminals, companies and organizations using Andorra as a tax haven to commit financial crimes have been detained.

CRIMINAL ACTORS

Foreign actors are among the most prominent criminal groups in Andorra. The country is a hub for some, especially those from outside the EU, who try to launder illicit money and start activities in Europe. In other cases, part

of the Andorran financial system was used to bypass international laws and open secret offshore companies in remote tax havens. Some mafia groups may use Andorran banks to launder fraudulent money from mafia operations elsewhere, although evidence is sparse. In addition, criminal organizations from Russian-speaking countries and the Balkans are involved in burglaries and damage to property. Groups of jewellery thieves from China (the Pink Pandas) operate in Andorra as well. Cases of human smuggling perpetrated by Chinese criminal organizations have also been registered.

Private sector actors in Andorra, especially the banking sector and legal firms, are reported to be complicit in illicit activities carried out by foreign actors. These illicit activities mainly involve the laundering of illicit proceeds generated through illicit operations carried out by mafia-style groups using offshore shell companies. There are also allegations of corruption involving the country's casino industry.

Criminal networks operating in Andorra are market-specific and are involved predominantly in the drugs trade, especially the cultivation and trade of cannabis as well as tobacco smuggling. These networks are known to operate in cooperation with their foreign counterparts. State-embedded actors are not generally involved in transnational criminal activity, although certain transactions may occasionally involve cooperation between organized crime groups and officials. There is no information that any mafia-style groups operate in Andorra.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Although there is not much evidence of organized crime in Andorra, the country emphasizes developing and implementing prevention strategies. There is political will to fight cybercrime and organized crime in general, exemplified by an agreement reached with Europol in 2021 to improve the exchange of information. Andorra has also been committed to fighting drug trafficking and the selling of cannabis to underage youth. Andorra's government actively observes corruption checks and balances. In December 2021, the Parliament approved a law to build a legal framework for the principle of transparency. For the first time, a report from the Council of Europe's Group of States against Corruption considered that Andorra has fulfilled its obligations to prevent and fight corruption in public administration and noted a satisfactory improvement.

Andorra generally complies with international standards on fighting organized crime and collaborates successfully with international institutions and mechanisms. Andorra has effective bilateral agreements, including cooperation protocols, with the Spanish police and more effective cooperation protocols with France are in development. Recently, the country took further steps to reinforce its cooperation with central and South American and European countries on transnational organized crime, specifically drug trafficking and human trafficking, with the aim of achieving an integrated plan to tackle organized crime. A new convention was implemented with Spain to boost both countries' commitment to jointly fight criminality, including organized crime. Andorra also adheres to the extradition conventions and treaties it is a signatory to and positively responds to extradition requests.

Andorra signed and applied CITES measures in 2021, thus specifically regulating the flora trade for the first time in the principality. It also has a satisfactory legal framework regulating most of the criminal markets, with the new addition of flora and fauna crimes in 2021. In addition, national legislation is being prepared to regulate against cybercrime and the criminal code includes provisions on cybercrime, cybersecurity and financial crimes.

CRIMINAL JUSTICE AND SECURITY

The Andorran judiciary has specialized units focusing on organized crime cases. Cooperation agreements with neighbouring countries, such as Spain, mean that the country's judicial system is better prepared to fight organized crime. The Andorran judicial system performs independently, without any political interference and upholds the principles of due process. As for the penitentiary system, Andorra's only prison meets international standards, provides adequate health services and satisfies all the basic needs of its prisoners.

The country has a criminal police international cooperation department within its police corps, which includes an INTERPOL National Central Bureau. This unit focuses on issues related to organized crime and shares intelligence with its partner countries. Andorran law enforcement also cooperates effectively with its international counterparts, especially with Spanish and French authorities by way of intelligence sharing and joint operations. Andorra's geographic and topographic features, along with the lack of an international airport and port make it less vulnerable to risks compromising its territorial integrity than other countries in the region. Moreover, because Andorra is not part of the European Union or the Schengen Area, stricter border controls are enforced at crossing points, especially through close cooperation with the authorities from neighbouring countries at their mutual borders. However, while law enforcement measures have improved, the implementation of anti-crime measures is still lagging behind in some areas, especially as far as money laundering offences are concerned.

ECONOMIC AND FINANCIAL ENVIRONMENT

Andorra used to be considered a tax haven and has a history of large-scale money laundering operations permeating the legal economy. Following a banking scandal of 2015, however, the regulatory and institutional framework was reformed to meet international standards. The country

has a financial intelligence unit, which is dedicated to implementing legal, regulatory and operational measures to combat money laundering, terrorism financing and the proliferation of weapons of mass destruction. Continuing efforts to strengthen anti-money laundering safeguards resulted in the country now being recognized as a low-risk country for money laundering and terrorism financing.

Due to external pressures in the wake of the 2015 bank scandal, Andorra eased its bank secrecy laws and now complies with international standards on economic regulation. The economic environment allows for the expansion of legitimate businesses, and regulations have been introduced with the intention of creating a modern, transparent and internationally comparable regulatory framework that will attract both foreign investors and legitimate businesses.

CIVIL SOCIETY AND SOCIAL PROTECTION

A specialized service for victims of human trafficking operates in Andorra, even though no cases of trafficking have been reported. No information is available regarding witness protection programmes, but Andorra's low levels of organized crime suggest that these may not be a priority. There is an emphasis on prevention strategies to tackle organized crime, the most substantial relates to drug-use prevention. Meanwhile, departments within the police force and the country's mental health centre focus respectively on prevention and social orientation, as well as on addiction treatments. Prevention strategies have also been implemented for robbery, child abuse and cybercrime. The principality has also started a new project in schools to raise awareness about the country's dominant crimes. In addition, the police force undertakes various actions to inform the population about how to protect themselves against cybercrime.

Andorran journalists and media houses are free to report on news related to organized crime without fear of prosecution or retaliation. However, media outlets are reportedly dependent on political, business and religious interests, which heavily influence coverage. Conflicts of interest between these stakeholders, along with the level of difficulty associated with reporting on the activities of banks in the country, are among the biggest problems facing journalists.

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