



THE CORRUPTION-SECURITY NEXUS¹

RESOLUTION 477

The Assembly,

1. **Noting** that corruption appears to be a catalyst for conflict, undermines state institutions and, as expressed in NATO's 2021 Brussels Summit's Communique, puts national security at risk by marginalising civil society, enabling terrorist and transnational criminal networks to finance their operations, and forging links among corrupt political elites, organised criminal groups and intelligence operatives from rival states;
2. **Lamenting** that corruption erodes democratic governance by weakening election integrity and civil participation in the life of the state while undercutting investment, raising risk premia, driving young people into exile and reducing economic potential by allocating resources based on opaque connections rather than merits, thus disproportionately harming the most vulnerable populations in society;
3. **Acknowledging** that in Afghanistan, endemic corruption contributed to the erosion of state legitimacy, was a factor in state failure, led to the disbandment of its army, and significantly exacerbated that country's fragility, all of which, among others, opened the door for the Taliban's return to power;
4. **Stressing** the importance of strong and independent judiciaries, journalists, and other civil society actors in exposing corruption and in holding corrupt actors to account;
5. **Recognising** that Russia has used corruption as a tool of hybrid warfare and curried favour with certain actors dedicating to weakening the state, undermining democratic governance, and countering Euro-Atlantic aspirations;
6. **Noting**, however, that although Ukraine long struggled with corruption, reforms since 2014 helped its society establish stronger anti-corruption norms that have enhanced its resilience;
7. **Aware** that a kleptocratic Russian state not only deploys corruption internationally but also wields it against the Russian people;
8. **Warning** that China's opaque business practices, which have disastrous consequences for human rights, evade democratic scrutiny, often produce debt traps, undermine governance, and empower corrupt officials whose interests diverge significantly from those of society at large;
9. **Acknowledging** that cryptocurrencies have become a widely used vehicle for the transfer of value for illegal purposes and for the laundering of money garnered through criminal and corrupt practices;
10. **Lamenting** that Western property markets have become a particularly important vehicle for laundering the proceeds of those who have acquired wealth through corrupt means;

¹ Presented by the Economics and Security Committee and adopted by the Plenary Assembly on Monday 21 November 2022

11. **Noting** that increasingly extensive international sanctions against Russia following its attacks on Ukraine, including: asset seizures targeting those close to the regime; preventing Russian banks from using the SWIFT financial messaging system; enhanced efforts to prevent Russian money laundering and asset acquisitions in the West; and restrictions on Russia's energy sector, which itself is an agent of massive corruption, mark a radical change in that they not only represent a response to the Russian security threat but also enhance the capacity of allied governments to counter the illicit flow of money acquired through and disbursed for corrupt practices;
12. **Applauding** intensified allied national efforts like the Biden Administration's U.S. Strategy on Countering Corruption, which have highlighted the security risks posed by corruption and taken important steps to counter it, as well as the vitally important role played by international organisations like the European Union, the OECD, the World Bank and the Financial Action Task Force in promoting legal and operational anti-corruption strategies;
13. **Welcoming** NATO's ongoing commitment to the Building Integrity program, an anti-corruption effort premised on the notion that corruption in the defence and security sectors poses serious challenges to peace and stability;
14. **Recognising** that anti-corruption measures in the security sector can serve as a model for broader efforts as demonstrated by the reform of the Georgian police in the early years after the Rose Revolution which subsequently inspired a series of other important reforms;
15. **Saluting** the strong reaffirmation in NATO's new Strategic Concept, of the Alliance's commitment to shared values of individual liberty, human rights, democracy and the rule of law and the recognition that these values must stand at the centre of NATO's response to today's challenges;
16. **URGES** member governments and parliaments of the North Atlantic Alliance:
 - a. to encourage all Allies and partners to consider the national security dimension of corruption and to address these in a more coordinated and systematic manner;
 - b. to engage in a collective effort to insulate Allies, partners, and the democratic world more generally from the nefarious influence of corruption, including its most malign forms as when authoritarian states like Russia deploy it to subvert democracy, weaken democratic alliances and advance their own anti-democratic agenda;
 - c. to find ways to restrict or outlaw the use of funding from designated rival countries and their financial institutions to underwrite election campaigns;
 - d. to increase support for the vital role played by NGOs, a free media, and civil society organisations in demanding transparency, integrity, and democratic accountability of state institutions;
 - e. to reinforce NATO's Building Integrity program, which aims to foster resilience needed to counter corruption in defence and security institutions in both allied and partner countries;
 - f. to encourage states to adopt anti-kleptocracy legislation that aims to close legal loopholes facilitating money laundering, to take active steps to implement sanctions and find ways to identify the legitimate ownership of property, and to encourage the development of stronger legal instruments to freeze and seize assets if they are found to result from corruption;
 - g. to draw lessons from NATO's experience in Afghanistan to help inform any future NATO operations;
 - h. to address gaps in Western property markets that allow corrupt officials and oligarchs to launder dirty money by purchasing properties through offshore shell companies;

- i. to empower anti-corruption efforts carried out by a range of international organisations, including the OECD's Convention on Anti-Bribery and its Anti-Corruption and Integrity program, the Financial Action Task Force's work on terrorist financing and parallel efforts by the IMF, the World Bank, the European Union, and the United Nations;
 - j. to monitor developments in cryptocurrency markets and continue efforts to make cryptocurrency transactions significantly less anonymous and easier to trace, thereby reducing the potential for these digital currencies to be used as tender for illegal activity;
 - k. to operationalise the Alliance's commitment to shared democratic values in the new Strategic Concept by establishing a Centre for Democratic Resilience at NATO Headquarters to serve as a resource and clearinghouse of best practices available to members and partners upon request.
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