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RELEASED IN THE EU
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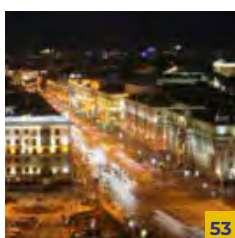
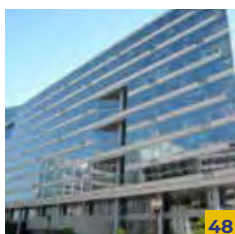
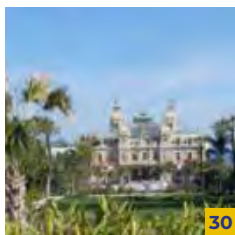
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Stella Kyriakides

PSYCHOLOGIST IN THE HOT SEAT

A portrait of Stella Kyriakides, EU Commissioner for Health and Food Safety

It cannot be easy to become the European Union's Commissioner for Health and Food Safety just before Europe is struck by the worst pandemic in recent history. It would be like being appointed captain of the Titanic just before someone notices that big lump of ice floating in the sea ahead of you. There is an inevitable consequence of something monstrous arising out of nowhere and causing massive, deadly damage: panic. Stella Kyriakides didn't panic but a lot of people who should have known better did. Some of them are still doing so. When I interviewed her in Strasbourg in late January, 2020, she was looking forward to getting to grips with the EU's new cancer campaign. Being a survivor of breast cancer, she attached a lot of importance to it: it was the cause of her mother's death, at a time

when the word 'cancer' was generally not mentioned, as if the condition was somehow shameful. As she told the website CancerWorld, "My mother and father were well-known people in what is still a small community, and she never tried to hide her condition," she says. "Right to the end of her life – and she lived with breast cancer for 10 years – she attended functions and got on with things. She was certainly, unknowingly, one of the first breast cancer advocates in Cyprus." When I spoke with her, Kyriakides was looking ahead to Tuesday, 4 February, World Cancer Day, on which day she was scheduled to launch the consultation phase of a new project, called simply 'Europe Beating Cancer', which she hoped to roll out by the end of 2020. The coronavirus got in the way.





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Former Prime Minister, Alexis Tsipras with the then President of the Parliamentary Assembly of the Council of Europe, Stella Kyriakides

Her enthusiasm for the planned project was very much on view. “This will aim to look at the whole journey of the cancer patient and really address the problem faced by member states and hoping we’ll be able to join the dots to help look at all the aspects.” Hearing her, it was clear that this would be a campaign she would really get behind. “This Commission is very committed to this. It is one of the key priorities and it is in my Commission letter from President von der Leyen. So I really have the opportunity now to work at the European level to change the face of this disease.” The President’s letter, written long before the Covid-19 pandemic began, is very prescriptive: “I want you to look at ways to help ensure Europe has the supply of affordable medicines to meet its needs. In doing so, you should support the European pharmaceutical industry to ensure that it remains an innovator and world leader. I want you to focus on the effective implementation of the new regulatory framework on medical devices to protect patients and ensure it addresses new and emerging challenges.” In one part, it reads almost like a premonition: “Many of today’s epidemics are linked to the rise or return of highly infectious diseases,” the President wrote, more perceptively than she knew, “I want you to focus on the full implementation of the European One Health Action Plan against Antimicrobial Resistance and work with our international partners to advocate for a global agreement on the use of and access to antimicrobials.

I want you to prioritise communication on vaccination, explaining the benefits and combating the myths, misconceptions and scepticism that surround the issue.” That’s a problem Kyriakides will have to deal with in the future, once an effective coronavirus vaccine has been found: dealing with the ‘anti-vaxers’, the conspiracy theorists who think it’s all part of a plan to turn us into obedient robots and other such anti-scientific nonsense.

During her eight years as a member of the Council of Europe’s Parliamentary Assembly, she had already become involved in cancer-related campaigning.

As the Assembly’s 30th President, she was already the first Cypriot national and only the third woman to hold the post, and during her time there she took up the issue of breast cancer. “I wanted to share with you that I was privileged in the Parliamentary Assembly: we started a yearly event every October to highlight awareness about breast cancer, and I think we can do a lot more to raise awareness about cancer at the European level.” I’ve no doubt she still can, although the Covid-19 pandemic has derailed plans of every type in every country. She was in Strasbourg in January to receive an honorary diploma for her work there in the past and she clearly still has many friends in the Assembly. She is also up-to-date on international issues of constitutional matters, having served as the Assembly’s representative to the Venice Commission, the Council of Europe’s independent consultative body on issues of constitutional law, including the functioning of democratic institutions and fundamental rights, electoral law and constitutional justice, which meets four times a year in an ancient Venice palazzo.

Health issues are of great importance to Kyriakides. In her first public address after being appointed as Commissioner for Health and Food Safety, she said: “I know from my own experience the importance of well-functioning health systems that provide equal access to all citizens.



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Ursula von der Leyen, President of the European Commission (right) and Stella Kyriakides, EU Commissioner responsible for Health

Access to the appropriate health services is a fundamental right, not a luxury, for all European citizens.” Born in Nicosia, she obtained a degree in Psychology from the University of Reading in the United Kingdom, going on to get a Master’s Degree in Child Maladjustment at Manchester, completing her dissertation shortly after her mother’s death. She is married with two sons. From 1976 she worked for ten years as a clinical psychologist at the Ministry of Health, Cyprus, in the department of Child and Adolescent Psychiatry, during which time she was appointed President of the European Breast Cancer Coalition, Europa Donna. In 2016 she was appointed President of the National Committee on Cancer Strategy of the Council. “As many know, I myself have been diagnosed with cancer, so I know what it’s like,” she told me, “especially that word, when suddenly everything else is blacked out for the first five minutes at least, and more. It is a terrifying word but you need to look at the positive and we need to look at what we can do for prevention, and we need to look at how we have improved survival rates over the last twenty years.” It’s very hard to look on the bright side after being told one has cancer, of course, and a great deal needs to be done to make it seem less of a possible death sentence. “There are inequalities across member states and this is what we need to address,” she says. “We need to use innovation, we need to use digitalisation to improve cancer care and I’m hopeful that with research there will come a day when the word ‘cancer’ will still bring a lot of emotion, but it will also bring the sense of hope, which I think it brings today for a lot of the types of cancer that we are able to address.”

THE LABOURS OF HERCULES

Cancer, of course, remains a terrifying diagnosis to receive, and it’s not a disease that is easy to deal with, coming in many forms, some much more serious than others.

It is more akin to the Lernean Hydra of Greek mythology, the monster with nine heads (the number varies from source to source, some giving the number as fifty or even a hundred, according to my ancient Lemprière’s Classical Dictionary).



It was difficult to defeat because every time a head was chopped off, two more grew from the scars. It took Hercules to defeat it, with the help of Iolaus and a hot cauterising iron for the neck from which Hercules removed each head. Fortunately, the Hydra is a mythical beast; unfortunately, cancer is not, of course. Commissioner Kyriakides acknowledges the multi-source problem. “It affects people in different ways. It’s not a single disease.” Not only that, but it has many causes, too.

In that and many other ways, it is totally different from the current crisis over Covid-19, whose single cause is the SARS-Cov-2 virus. The virus’s strangeness and potency are underlined in a special report, published in the June 2020 edition of Scientific American: “This



Heracles battling the Lernean Hydra

coronavirus is unprecedented in the combination of its easy transmissibility, a range of symptoms going from none at all to deadly, and the extent that it has disrupted the world. A highly susceptible population led to near exponential growth in cases.” What is needed is a vaccine and attempts to create one are going on all over the world. It’s worth remembering, though, that even though the development of a vaccine for Ebola was fast-tracked, it took five years for it even to reach the stage of widespread trials. This is not the sort of news that is likely to be welcomed by a Commissioner for Health and Food Safety. We just have to hope that the various approaches, using fragments of a weakened or dead virus or isolated parts of it, or through genetically engineering virus genes, will prove effective more quickly. As Kyriakides said, “We will work hard to make a difference, to give European citizens everything they expect from us in the area of health.”

What the citizens expect and what their leaders will accept are not necessarily the same thing. All EU member states want more money to help them cope with the disaster, for one thing, so they welcomed the EU’s health programme, called EU4Health when it was announced in May, 2020, and gave a very big welcome to the increase in its budget from €413-billion, the figure set in 2018, to its new pandemic-countering figure of €9.4-billion. “We are stepping up to these challenges,” Kyriakides told a media briefing, “With an over-2,000% budget increase, compared to current resources for health. This will allow us to face the challenges brought to light by the crisis but also, importantly, to invest in the EU health systems for the future.”



The leaders even gave the Commission the authorisation to buy vaccines for them, when they are eventually developed, tested and released. The Commission has agreed to spend more than €2-billion on advance purchasing agreements of likely vaccines while they're being tested. But member states also flagged up their desire to retain control over the programme. Roland Driec, Director of International Affairs at the Dutch Health Ministry, was quoted on the Politico website as saying "It's important to keep member states in the driving seat," which suggests that they may be putting sovereignty above efficacy. "The proposed rôle of member states in the execution of the programme seems too limited." It's a fear that seems to be fairly widely shared, notwithstanding Kyriakides wish to do whatever it takes for the health of Europeans. She insists that the fears are groundless. "Member states will be involved at many different levels and programme objectives," she said, adding that they will also be setting the agenda. The sometimes nationalist sentiments expressed by some member state politicians may see strange in the midst of a pandemic, but as a clinical psychologist, Kyriakides should be able to understand. As for the "me first" attitudes of some leaders, she also has her training in understanding Child Maladjustment to fall back on. It could come in useful.

She admits that there remains a "gap between what citizens have expected and what the EU could do in terms of health." So, Kyriakides still has hills to climb and battles to fight,



Stella Kyriakides and European Parliament President, David Sassoli

but at least there was agreement to let the Commission go ahead and acquire the vaccines, if and when they become available. There has also been a call, welcomed by Kyriakides, for the European Centre for Disease Prevention and Control to take on more responsibility, including the creation of a rapid reaction force of experts. "We have an opportunity," Kyriakides said. "Let's not waste it." She dismisses claims that the EU was slow to act over the Covid-19 crisis; it was the member states which seemed to react like rabbits caught in the headlights of a speeding car (my phrase, not hers). The EU tried to co-ordinate but, as so often before, the member states were suspicious of Commission motives at a time when no-one could afford suspicion. The Commission did its best, Kyriakides told the Irish Times: "We offered to help with procurement of PPE [personal protective equipment] in January, but it was not taken up. Possibly at that point in time, member states could not foresee the scale and the speed at which this was going to spread." They were to learn the dreadful truth all too soon.

IF YOU ARE WHAT YOU EAT, EAT HEALTHILY

The problem with being the Commissioner for Health and Food Safety is that coronavirus looms so large in the popular imagination and dominates the media to the extent that it's easy to forget food safety. We shouldn't. Some governments, especially those that lean towards the more authoritarian right, have

even called for such initiatives as the Green Deal and the Farm to Fork Strategy to be abandoned because of the pandemic. Kyriakides argues that this is just the time when it's most important. At a time of crisis, after all, people still need to eat and - especially now - to eat well. And, as she pointed out at the launch of the Farm to Fork initiative, coronavirus is not the only crisis to hit Europe; we've also had droughts, floods and forest fires to contend with. "Food systems are the key drivers of climate change and environmental degradation," she reminded the media. "In the EU, agriculture is responsible for over 10.3% of the greenhouse gas emissions. The Farm to Fork Strategy is thus critical to delivering the European Green Deal. This is why sustainability needs to be seen as a growth strategy. It is an opportunity for Europe's farmers, fisher-men and -women and food producers to become global leaders in sustainability and to guarantee the future of the EU food chain." If you tend to think that it is a matter of minor importance in the light of the Covid-19 pandemic, think again. "The transformation of our food production system has, as we all know, been at the top of the agenda since the President's 'political guidelines' [were published] in July, but the Covid-19 pandemic has brought into sharper focus the importance of having a resilient food system and food security, given the strong links between health, the ecosystem and supply chains." In other words, if we really are what we eat, we need to ensure we're eating healthily, especially at the moment.

That also means ensuring that our farm animals are well fed. When she was first appointed to her current rôle, she said she wanted to see the EU lead by example, working together to challenge misinformation directly impacting on human health. She mentioned new regulations on veterinary feed and medicines, calling it “almost a cornerstone of AMR” (Anti-Microbial Resistance), and reviewing regulations on where antibiotics cannot be used to assess if they are being implemented effectively. “Member States need Europe to act,” she said, “national solutions are not enough.” Under the Farm to Fork Strategy, the European Commission has set targets to reduce pesticide use and sales of antimicrobials by 2030. The strategy includes a 50% reduction in the use of pesticides and antibiotics used in animal husbandry and other agricultural products, as well as a 20% reduction in the use of fertilisers and a regulation that 25% of all farm land should be used for organic farming.

It will also lead to a clampdown on food fraud. When the plan was debated at the European Parliament’s Committee on the Environment, Public Health and Food Strategy, there was a concern raised by Norbert Lins, who chairs the Parliament’s Agriculture Committee: “The Farm to Fork strategy can only be successful if there is a balance between the farm and the fork,” Lins said. “The conspicuous absence of the Agriculture Commissioner (Janusz

Wojciechowski) at [the] Commission press conference does not give us much hope that the strategy aims for such a balance. We need to give our farmers the respect and support they deserve for filling our tables every single day and not to overburden them with disproportionate requirements.” This was reported in Food Safety News, but it should be pointed out that other MEPs attending seemed largely supportive of the plans. Many of them are suspicious of farmers, probably unfairly, in the wake of such episodes as the substitution of horsemeat for beef in some products and the mad cow disease scare, bovine spongiform encephalopathy (BSE), which seems to have been blamed on the food given to farm animals, containing ground up meat polluted with prions from scrapie-infected sheep. But there was a warning from Tim Cullinan, President of the Irish Farmers Association: “It is not credible for the EU to drive up production costs for European farmers while at the same time looking for low food prices,” he told Food Safety News.



Tim Cullinan, President of the Irish Farmers Association

“They want food produced to organic standards, but available at conventional prices. It is likely that farmers will end up paying through higher costs and low prices while retailers will continue to make billions.” Of course, the villain of the piece here as far as most farmers (and many MEPs) are concerned is the food retail industry, especially the all-powerful supermarkets, which force farmers to sell their milk at below cost price.



Remdesivir from Gilead

DRUGS SCARCITY

Ensuring healthier food through the Farm to Fork Strategy is one part of the move towards a healthier population, but world attention remains focused on the coronavirus and the Covid-19 pandemic. That’s why Kyriakides has been in negotiation with the pharmaceutical company, Gilead, that produces the drug Remdesivir. No-one is talking about what progress she may be making at present, after the United States ordered half a million doses for exclusive US use. That equates to the total production of July and most of the company’s August and September production. Remdesivir is not a cure but it can alleviate symptoms in the severely ill and save lives. At the time of writing, no-one can say if the Commission’s purchasing power can have an impact on the producer. Commission spokesperson Stefan de Keersmaecker told journalists that the talks are confidential.

Meanwhile, the EU4Health strategy is designed to make the best use of existing resources, while having more to spend. “Our first objective needs to be,” Kyriakides told the media, “to be better prepared to react and to protect our citizens, should a similar cross-border threat and crisis hit us in the future. To do so, we will aim to ensure that we have at all times the means and the necessary personal protective equipment (PPE), medicines, medical devices available and to ensure they are affordable and innovative.



Norbert Lins, Chair of the Committee on Agriculture and Rural Development



A EU (rescEU) Civil Protection team

Never again do we want to see our healthcare workers having to choose which patient receives life-saving equipment.” She talked of creating a ‘strategic stockpile’ to enable the EU to plan ahead and also to have reserves in hand in case of crises.

It’s somewhat ironic that it was in April this year, just as the true horror of the Covid-19 outbreak was becoming clear, that World Health Day occurred. Not surprisingly, under the worsening conditions of the time, Kyriakides took the opportunity to give a political message. She thanked the EU’s 1.9-million doctors and 4.1-million healthcare assistants, reassuring them that the European Commission was doing its best on their behalf. “It is important that you, our healthcare workers, be protected from the risk of infection,” she told them.

“By launching the EU joint procurements, we are supporting Member States in gaining access to more personal protective equipment for hand, body, eye and respiratory protection. As an additional safety net, we have proposed creating a rescEU stockpile, a common European reserve of personal protective equipment and reusable masks. In order to ramp up production of such equipment, we have adopted decisions on revised harmonised standards. This will help companies to manufacture the items without compromising on our health and safety standards, and especially without undue delays.”

While Kyriakides has welcomed the success of lockdowns and other measures, she admitted to the European Parliament’s Environment, Public Health and Food Strategy committee that it’s too early to take much comfort. “This is the sort of crisis that none of us have had to deal with before,” she said. “What is also clear is that Coronavirus will not be going away. We have got to learn to live with it until a vaccine is found. I must stress this.” In the meantime, EU countries must remain co-operative - more so than when the virus first appeared - and work together. “We all now agree that a coordinated approach is essential. However, if we move too quickly on exiting the crisis and fail to communicate with citizens there is a risk of an increase in cases and we will end up wasting the sacrifices made by those on the health frontline and citizens. In terms of the way forward we are now at what I would call an experimental phase but we are still basing our decisions on the latest scientific advice and the capacity of health systems to manage things.”

DON'T TAKE YOUR EYES OFF THE PRIZE

But cancer still remains one of Kyriakides primary concerns. Although her mother died of breast cancer and she herself has been diagnosed with it twice, it’s not the only form of cancer, of course, and nor are women the only victims. In the European Union over 2 million men are living with prostate cancer, the most frequently diagnosed cancer

from which men suffer. More women suffer from breast cancer than men from prostate cancer, but more men die from prostate cancer than women from breast cancer. Prostate cancer mortality among men ranks second only to lung cancer, and before colorectal cancer, according to the UroWeb website (other sources suggest that colorectal cancer comes first among cancers amongst men). “Around 450,000 new cases were diagnosed in Europe in 2018, compared to an estimated 345,000 in 2012,” it reports. “Each year, prostate cancer accounts to around 25% of all new cancers and 10% of male cancer deaths, with over 107,000 people estimated to have died from the disease in 2018.” You get the feeling that, for Kyriakides, the Covid-19 pandemic is an unwanted distraction, obliging her to take her eyes off the prize of really getting to grips with cancer. It remains a massive problem. According to the European Journal of Cancer (EJC): “Europe contains 9% of the world population but has a 25% share of the global cancer burden. Up-to-date cancer statistics in Europe are key to cancer planning.” The statistics are deeply worrying and, unlike SARS-Cov-2, the answer is unlikely to lie in a single vaccine, however hard to discover. “There were an estimated 3.91 million new cases of cancer (excluding non-melanoma skin cancer) and 1.93 million deaths from cancer in Europe in 2018,” reports the EJC. “The most common cancer sites were cancers of the female breast (523,000 cases), followed by colorectal (500,000), lung (470,000) and prostate cancer (450,000). These four cancers represent half of the overall burden of cancer in Europe. The most common causes of death from cancer were cancers of the lung (388,000 deaths), colorectal (243,000), breast (138,000) and pancreatic cancer (128,000). In the EU-28 (this was published, of course, before the UK’s controversial departure reduced the EU-28 to 27), the estimated number of new cases of cancer was approximately 1.6 million in males and 1.4 million in females, with 790,000 men and 620,000 women dying from the disease in the same year.”

That was why Kyriakides joined European Parliament First Vice-President Mairead McGuinness on 4



February, World Cancer Day, where together they greeted a choir made up of cancer survivors, who sang to give hope and encouragement to those still suffering. Finding a way to defeat cancer remains her priority. It's a complex complaint, as the World Health Organisation (WHO) explains. "Cancer is the uncontrolled growth and spread of cells that arises from a change in one single cell." Why does that happen? The WHO again: "The change may be started by external agents and/or inherited genetic factors and can affect almost any part of the body. The transformation from a normal cell into a tumour cell is a multistage process where growths often invade surrounding tissue and can metastasize to distant sites. These changes result from the interaction between a person's genetic factors and any of 3 categories of external agents: physical carcinogens, such as ultraviolet and ionizing radiation or asbestos; chemical carcinogens, such as vinyl chloride, or betnaphthylamine (both rated by the International Agency for Research into Cancer as carcinogenic), components of tobacco smoke, aflatoxin (a food contaminant) and arsenic (a drinking-water contaminant); and biological carcinogens, such as infections from certain viruses, bacteria or parasites." We can't avoid contact with all of those things but we can adopt simple measures to minimise the risk. And cancer need not be a death sentence.

"Many cancers can be prevented by avoiding exposure to common risk factors, such as tobacco smoke," says the WHO. "In addition, a significant proportion of cancers can be cured, by surgery, radiotherapy or chemotherapy, especially if they are detected early."

It's a crusade, and one in which Kyriakides hoped to play a leading rôle before the coronavirus got in the way, but the battle goes on. "Research is expensive," she told me, "but there is a commitment by the Commission and it is a priority, so we need to look at all the aspects. We are not in a position now to say what needs to be done. We need to be able to know where the gaps are. But by the end of 2020, we

hope we will have a plan." That fine ambition may have taken a knock in terms of a timetable in the light of the pandemic, but Kyriakides is determined to continue the war of cancer that has occupied much of her professional life, including at the Council of Europe Parliamentary Assembly. Could the European Commission and the Assembly work together on it, I asked her, as she had such intimate experience of both? "Of course, they're totally different," she told me, "and I think they have a different way of working. But I believe that cooperation is always possible and we need to be aware of the work being done, both at European Union level but also at the Council of Europe level to see where we can work more closely together."

What more could be achieved by the two organisations cooperating on battling cancer is hard to assess. As Kyriakides said, they are very different and work in very different ways. But that doesn't mean there aren't gains to be had by acting together. Cancer being such a multi-source condition with so many possible causes, it may never be possible to defeat it entirely. But to render it less harmful, less fearful, less of a life sentence - or even a death sentence - would be one achievement Kyriakides would love to be able to win.

Jim Gibbons



Commissioner Stella Kyriakides (right) with the author of this article at the Council of Europe Parliamentary Assembly, January 2020



Italian President, Sergio Mattarella (left) with Prime Minister Giuseppe Conte

DEATH AND TAXES

The world's costly response to the coronavirus

Benjamin Franklin was right when in 1789 he wrote, in a letter to a friend, "In this world nothing can be said to be certain, except death and taxes." He wasn't the originator of the phrase, although he is normally credited with it. Daniel Defoe has a stronger claim, writing in 'History of the Devil' in 1726: "Things as certain as death and taxes, can be more firmly believed." How very true. With the Covid-19 pandemic upon us, the death part is sadly all too common now; the taxes will come later, when all the stimulus measures have to be paid for. Or so one might think.

The President of the European Commission, Ursula von der Leyen, was one of the speakers at an event organised by the Prime Minister of Italy, Giuseppe Conte, which was described as the 'Estates General', a week-long event to look at ways of finding enough money to cover the massive damage caused by the Covid-19 pandemic. For the historically minded, this was originally the consultative assembly of the different classes or 'estates' that advised the king of France before the French Revolution but which had no powers. But I digress. The Italian government invited employers, unions, political parties and the representatives of international

bodies, including Harvard University and MIT, to Rome's Villa Pamphili palace for the discussion, although Italian opposition parties boycotted the event, one of their leaders describing it as "a show". But in her speech, von der Leyen got it right on the money. "We, the European Union," she said, "are, for the very first time, borrowing money from our children." Clearly, we didn't ask them first if they minded. "We shall not, as sometimes our member states did, borrow from our children just to spend the money today. Today, we invest for Europe's next generation." The question arises (and it's impossible to answer): will our children - and, indeed, our grandchildren and great

grandchildren - think we made a good job of spending their inheritance? In the village where I live in leafy Lincolnshire, England's oldest canal winds its way and, especially in summer, it hosts narrowboats, former freight carriers now converted into floating leisure-time habitations whose owners can move them every few days to a new location. One of the regular visitors has been named by its owners 'The Kids' Inheritance'. If this is what the EU is doing, we need to ensure it never sinks.

The coronavirus pandemic came out of nowhere. No, I don't mean it didn't have an origin; it clearly did, probably in or around Wuhan in



© European Commission

European Commission President, Ursula von der Leyen, during the European Parliament's mini plenary session on 27 May, 2020

China. Pointing a finger of blame doesn't help anyone and every country has suffered the consequences. But it was unexpected. Its scale and spread shocked everyone and left the experts scratching their heads. For governments around the world, it presented a massive, unprecedented challenge. The global economy, bubbling along nicely, suddenly went over a cliff and politicians were obliged to find ways to save their countries' industries and businesses, as well as the lives of their citizens. And what do panicking politicians do when facing an unexpected crisis? They throw money at it, of course, most of which has to be borrowed. It's very difficult to assess exactly how much because the methods used are many and various. Mostly, they take the form of fiscal-easing measures and Germany, Italy and the UK have each announced more than 20% of their GDP in fiscal support, with France a short way behind with 17.5%.

For the four largest eurozone economies - Germany, France, Italy and Spain, as well as for the UK - more than 70% of the total takes the form of government guarantees. Meanwhile the European Union proposed a stimulus package of €750-billion, which is equivalent to 6.3% of the GDP of the entire eurozone - the group of nineteen member states that use the euro as their currency.

The United States has put in place a massive stimulus package as well as a great many support instruments, with fiscal easing reaching 11.5% of GDP, higher than in Europe, while Japan exceeds all the others with various

instruments - discretionary, quasi-fiscal and guarantees - reaching a staggering 32.3% of GDP, according to estimates by Fitch Ratings. One has to have confidence in the future to pledge so much on saving the present, although if you're drowning far from land in shark-infested waters you don't look too closely at who's throwing the lifebelt or if it looks like a good one. The Federal Reserve in the US has pledged unlimited asset purchases and created fourteen new liquidity facilities. Fitch expects quantitative easing (QE) purchases to exceed \$4-trillion (€3.57-trillion) in 2020.

In Britain, the government has made available £100-billion (over €110-billion) to fund such measures in the form of job retention schemes - paying a proportion of the wages people would have earned if they had not been 'furloughed', effectively told to stay at home and to be idle. The UK has also made a further £330-billion (€365-billion) available through the coronavirus business interruption

loan scheme and the Covid Corporate Financing Facility. In its largest ever emergency financial aid measure, the United States has pledged \$2-trillion (€1.78-trillion), including \$25-billion (€22.3-billion) in grants for airlines. In Europe, the Brussels-based Breughel think tank has explained the immediate first-aid measures governments have taken: "additional government spending (such as medical resources, keeping people employed, subsidising SMEs, public investment) and foregone revenues (such as the cancellation of certain taxes and social security contributions). These types of measures immediately lead to deterioration of the budget balance without any direct compensation later."

DEBTS AND DEBTORS

As I said earlier, death and taxes; it's what lies behind the Next Generation EU programme, also mentioned by von der Leyen in Rome. "We all understand that the recovery will be a generational challenge," she said. But it's Breughel that puts into figures the longer-term implications. "The incorporation of the temporary Next Generation EU into the EU's next multiannual budget would take advantage of a well-established framework, already subject to various checks and balances. The temporary instrument would add €433-billion in grants, €67-billion in guarantees and €250-billion in loans (measured at 2018 prices) to the €1,100-billion 'standard' seven-year EU budget for 2021-2027. Considering the urgency of EU budget support, the Commission also proposed to add €11.5-billion (at current prices) to the current 2020



The Bank of England in Threadneedle Street, London

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annual budget, of which €5-billion would be grants and €6.5-billion would be guarantees.” We are talking here in terms of figures most of us (myself included) probably struggle to grasp. But EU budgets are not spent overnight; they are slow moving affairs, which is why the Commission insisted that commitments under the new recovery instruments should be front-loaded, and according to Breughel, they are. “Commitments related to the combined €438-billion grant component of Next Generation EU and the 2020 annual budget amendment are indeed frontloaded: 78% of total commitments are scheduled to be agreed in 2020-2022. However, the Commission expects that barely 24.9% of the total new firepower for grants would be spent in 2020-2022, when the recovery needs will be greatest.” In other words, most of the money won’t be fully available at the time of greatest need and paying it back could take years. Borrowing from our children, indeed, not to mention their children and grandchildren, too.

The most detailed breakdown from a European perspective comes from a blog by Zsolt Darvas, again for Breughel, which is largely supportive. “Limited guidelines were provided however on the estimated overall cross-country allocation in the Commission’s two recent proposals: the €750-billion ‘Next Generation EU’ plan and the additional €11.2-billion amendment to the 2020 annual budget. Cross-countries allocation proposals have been published for only three out of the twelve different instruments that make up the package: the Recovery and Resilience Facility, the Just Transition Fund and agricultural subsidies. Guidance is vague for the other nine, which account for about a third of the grant and guarantee components. The Commission either provided the detailed methodology behind cross-country allocations without any estimate (REACT-EU); indicated broad principles for cross-country allocations (Solvency Support Instrument and Invest EU); or provided no guidelines for cross-country allocation.” REACT-EU stands for Recovery Assistance for Cohesion and the Territories of Europe, which comprises €50-billion in grants from ‘Next Generation EU’ and €4.8-billion in grants from the amended 2020

The EU's €750 Billion Plan To Recover From COVID-19

Proposed grants for EU member states to counter COVID-19 recession (€ billions)*



* €500 billion distributed as grants to member states and €250 billion could be available in loans

The recovery fund requires unanimous backing from all member states and would be embedded within the next long-term EU budget.

Source: European Commission



statista

annual EU budget (Multiannual Financial Framework, or MFF).

All this largesse, which we really cannot afford yet cannot afford not to offer, comes at a price, like that huge credit card bill that drops through your door after an over-indulgent shopping spree or (and the comparison is perhaps closer) a costly and unlucky visit to a casino. In the UK, Prime Minister Boris Johnson is being obliged to break one of his party's election pledges. He promised to retain the 'triple lock' on pensions, which is very important for his (largely elderly) supporters. Under it, the state pension goes up each year in line with the rising cost of living, as shown by the Consumer Price Index, the increase in average wages or by 2.5%, whichever is the greater. But the various emergency measures over Covid-19 mean that the UK can't afford it. The piggy bank is not only empty but stuffed with hastily-scribbled IOUs. The UK

Treasury believes that an increase in wages after the lockdown ends could put pensions up by 20% from April 2022, costing the taxpayer £20-billion (€22-billion). It leaves the Chancellor of the Exchequer, Rishi Sunak, who has not been long in the job, with a nasty choice: break the promise or break the economy. Treasury officials are referring to the dilemma, rather charmingly, as a 'statistical anomaly'. When something has to yield, promises are, as the saying goes, like pie crusts: made to be broken.

Things are no better in the United States. By mid-June, the US Labor Department revealed that 1.5-million people had applied for unemployment benefits for the first time during the previous week. That makes thirteen successive weeks in which more than a million out-of-work Americans filed for unemployment benefit for the first time. A hole this deep requires a very long, strong ladder if you're ever to climb out of it. There will be a second

stimulus package. Congress hasn't set a date for a vote on such a deal, but Senate Majority Leader Mitch McConnell said the Senate may wait till the end of July to start work on the bill, according to Bloomberg. What's more, the second relief package may be the last. The Senate has scheduled a two-week recess before work begins on a second package, with the executive branch working on a programme of its own, according to White House officials. CNET writes that when the Senate, House and White House negotiators do begin negotiations, they'll be under pressure to reach a deal quickly, because the enhanced unemployment allowances that provide an additional \$600 (€534) per month are set to expire on July 31.

But the outlook is not entirely gloomy; there are some somewhat surprising signs of hope. While the Organisation of European Cooperation and Development (OECD), made up of mainly relatively well-off nations, was predicting long-lasting negative consequences from the coronavirus, US share prices were returning to almost the same levels they showed before it all began, with the stock market there seeing its greatest 50-day rally ever. European and Japanese markets are also performing exceptionally - and somewhat unexpectedly - well. Nobody is entirely sure why. Is it because of all the stimuli being provided by various governments? Or are there other factors at work? Despite the rise in unemployment cited by the US Labor Department, the rate fell during May, from 14.7% to 13.3%, which surprised those who expected it to rise to 20%. Yes, that's good, but it still leaves some twenty-million workers without a job and there are still fears that when it's all over the businesses that employed them may have gone, leaving them without a job to go back to. Those that succeeded because their workers found they could just as easily work from home will probably find their employers moving to smaller premises or doing away with the need for premises altogether. And, of course, we must not forget that the unemployment rate under the pandemic is still much higher than just after the financial crash of 2007-09.



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Debate on the recovery plan and the EU's long-term budget



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The European Parliament in Strasbourg, 2020



Nikkei Building, located at Ōtemachi, Chiyoda, Tokyo, Japan

BUY, BUY, LOVE

The drop in consumer spending caused by the closure of shops and other businesses has been compensated for by soaring on-line sales. Jeff Bezos is laughing all the way to the bank as would-be shoppers increasingly turn to Amazon, where roughly \$11,000 (€9,840) worth of goods change hands every second.

Bezos has quite a record. He tried and failed to buy out Netflix in 1998 and his interest in the remote television interviewing app, Zoom, which has been the mainstay of television news since the coronavirus pandemic began, was unsuccessful. Zoom's founders chose to go with Oracle instead of Amazon Web Services (AWS) as its Cloud Infrastructure provider. Even so, Bezos can probably expect his business for 2020 to exceed the \$280-billion (€250.51) it generated last year. No wonder its shares trade at 118 times its earnings, way ahead of what Apple and Microsoft achieve. Incidentally, Donald Trump doesn't like him, which may boost his popularity among Amazon's customers.

Consumer spending in the US was at its lowest in April, just after lockdown began, but by early June it was back up to 90% of its pre-crisis level. And, just as consumer spending and stockmarkets have been enjoying a bit of a boom, so have the prices of some raw materials. According to The Economist, iron ore has increased in price from \$80 (€71.24) a tonne to \$100 (€89.06), while copper prices are also up by 25%. Again, the reasons are hard to pin down and may prove ephemeral. Partly it's because China is buying raw materials and producing a lot of steel, which must please Australia, the world's largest supplier of iron ore. Why? Again, it could be because China seems to have a Keynesian faith in constructing its way out of economic problems.

As the Buttonwood column in The Economist suggests: "A pattern in markets is that a lot happens by rote. China's response to a weak economy is to build; investors' response to the Fed's easing is to buy stocks; the algorithms' response to a weaker dollar is to buy commodities. Higher prices beget higher prices. The sceptics, the too-sooners, note that this also works in reverse. Quite so. But the momentum is now with the believers." Let's all cheer on the believers.

The EU is putting its faith not in building things it doesn't need (although Keynes might have thought that a good idea) but in huge shovelfuls of cash. The last General Affairs Council under the Croatian presidency saw massive support for the relief package. After the Council, held this time through a video conferencing facility, Commission President Ursula von der Leyen told the media that the ministers had backed the Commission's line. "It is essential that we lose no time," she said, "in setting our economic and social recovery on a firm footing and as you know, the Commission has come forward with a plan to do just that. It's called Next Generation EU, combined with a reinforced MFF." It's something von der Leyen has often spoken about before: it's the money she said we're borrowing from our children. She clearly puts great faith in it. "It will provide the necessary means," she told journalists, "the MFF of €1850-billion and the proper focus on a green, digital and resilient recovery to help the European Union, its citizens, its businesses, to emerge stronger from this crisis."

It all adds to the debt now facing every country in the world. The Institute of International Finance says that global debt across all sectors rose by more than \$10-trillion (€8.94-trillion) in 2019, ending up over \$255-trillion (€227.89-trillion). It stands at more than 322% of GDP, 40 percentage points (\$87-trillion or €77.75-trillion) higher than when the 2008 financial crisis began. What nobody seems to be talking about is how and when the massive debts will fall due for repayment. But then, they don't really need to.



Jeff Bezos founder, CEO, and president of the multi-national technology company Amazon

BEFORE THE BAILIFFS ARRIVE

In a blog for the London School of Economics, Carsten Jung says governments are right to cash in on the historically tiny interest rates to borrow as much as they need to stimulate the damaged economy. “The government can afford to increase its debt level, because interest rates are close to zero – the lowest they have ever been,” he writes. “This means that, even with more borrowing, only a limited share of annual tax revenues would need to be spent on servicing the debt each year. This is akin to a person taking out a mortgage – someone can afford a bigger mortgage if interest rates are low at 1% as opposed to when they are high at 5%. Therefore, as long as borrowing costs remain low, a high level of government debt remains affordable. In fact, interest rates are currently so low that even a doubling of the UK’s debt would still mean the Treasury pays less to service this debt, as a share of tax receipts, than any other time in the 20th century.” That’s as long as interest rates remain at this level, of course.



Thomas Piketty, Director of Studies at L'École des Hautes Études en Sciences Sociales and Professor at the Paris School of Economics

Thomas Piketty, the world’s best-selling economist, who is also Director of Studies at L'École des Hautes Études en Sciences Sociales and Professor at the Paris School of Economics, says we shouldn’t worry. In his latest book,

‘Capital and Ideology’, he dismisses those who talked up the huge debts that accumulated during the eurozone crisis. “All these enlightened pundits appeared to be almost totally ignorant of the history of public debt,” he writes, “not least the fact that debt had been cancelled many times over the centuries and particularly in the twentieth century, often with success.” He goes on to explain. “Debt in excess of 200% of GDP weighed on any number of countries in 1945-50, including Germany, Japan, France and most other countries of Europe, yet it was eliminated within a few years by a combination of one-time taxes on private capital, outright repudiation, rescheduling, and inflation. Europe was built in the 1950s by wiping away past debt, thereby allowing countries to turn their attention to the younger generation and invest in the future.” Piketty admits, though, that debt and repayment are complex issues and much more complicated than populist movements would have us believe. “To be sure, the leaders of Lega and M5S in Italy and of the ‘yellow vests’ in France who have called for referenda on debt cancellation may not fully appreciate the complexity of the issue, which cannot be settled by a simple ‘yes’ or ‘no.’” I must quote a little more from Piketty’s massive volume here, because it’s oddly pertinent to an issue that didn’t exist when he was writing it. “There is an urgent need for debate on the fiscal, financial, and institutional arrangements necessary to reschedule debt because it is ‘details’ like these that determine whether debt reduction comes at the expense of the wealthy (by way of a progressive wealth tax, for example) or of the poor (by way of inflation).” Piketty, not surprisingly for a left-leaning economist, tends to favour the former solution: let the wealthy pay for it. But even right-wing economists are critical of left wing groups who whinge about the debt. These sorts of debts don’t get repaid and never have. It’s like the old joke: if you owe your bank a thousand euros, it’s your problem; if you owe it several millions, it’s the bank’s. And everyone will owe everyone else, when the coronavirus pandemic comes to its end.

But it really doesn’t matter a jot, says Richard Murphy of Tax Research UK. “As a matter of fact we have repaid



Richard Murphy, Director of Tax Research UK

almost none of our national debt over the last 74 years. So why does anyone think we should start doing so now?” he asks. “And there are £71-billion of bank notes in circulation and a bit less than £5 billion in coins. These are all part of the national debt - the notes even have the fact printed on them. Why do we want to get rid of all these, which we would if we repaid the national debt?” So there you go: governments seldom rush to repay debts because they don’t have to. The UK government still has some undated war bonds (bonds with no maturity date) from the First World War. Those who bought them are hardly likely now to go hammering on the doors of the Treasury to get paid (although it would certainly shake Treasury officials if they did).

Even so, talk of simply keeping the massive debt on the books and never paying it back is unrealistic, however much paper the various central banks buy to calm things down and keep rates low. Carsten Jung again: “With a moderate debt level, this can work. But with a high debt level, it can be a problem. It would mean that the central bank will effectively be forced to make sure borrowing costs remain low, constantly. This is not a great place to be in, because when the economy recovers – and interest rates should be starting to rise – the central bank would be forced to keep rates



John Profumo, former British Secretary of State for War

low regardless. Artificially low rates can be bad for parts of the economy, cause financial bubbles and lead to too high inflation. In the long term, debt levels should be brought to a level that avoids such a catch 22 situation.” Remember, allowing high inflation to take hold means the burden of the debt will be borne disproportionately by the poor.

Every country, just about, is at it. In the UK, the total debt level has gone up by £173-billion (€191.15-billion) in the last year to £195-trillion (€215.46-trillion), or more than 100% of GDP. It’s the first time Britain’s public debt has exceeded the size of the country’s entire economy since 1963, the year of the Profumo Affair - when the then Minister of War, John Profumo, was found to have had an affair with Christine Keeler, a young model, at a time when she was also having an affair with a KGB official at the Soviet Embassy.

Keeler and fellow-model Mandy Rice Davies ended up in court (somewhat unfairly) and the man who had introduced them to Profumo, osteopath Stephen Ward, died in prison in what was passed off as a suicide but may not have been. The Conservative government of Prime Minister Harold MacMillan collapsed,

ushering in the government of Labour’s Harold Wilson. Mr. Profumo took the fall for what was in fact fairly widespread naughtiness by ministers and the rich and powerful of the time; thus the sixties began with a sex scandal and continued with scandalous amounts of sex. Keeler always said Profumo was a kind and considerate lover, his wife stood by him, and he spent the rest of his life doing good work among the urban poor. The Profumo Affair fascinated the British public, however; titillation is always more interesting than politics and economics.

LARGESSE AND GENEROSITY

When it comes to stimulation packages, the five most generous countries in the G20 group are the United States, with \$2.3-trillion (€2.03-trillion) or 11% of GDP; Germany with \$189.3-billion (€168.77-billion or 4.9% of GDP); China, with a fairly modest-sounding \$169.7-billion (€151.3-billion, just 1.2% of GDP); Canada, providing \$145.4-billion (€129.63-billion), which is 8.4% of GDP; and Australia with \$133.5-billion (€119.02-billion), or 9.7% of GDP. Meanwhile

the European Central Bank has promised to spend over a trillion euros on buying Eurozone bonds over the next nine months. China Global Television Network (CGTN) points out that although the amount being doled out this time is greater, we have all been here before. “The United States used a stimulus package during the global recession a decade ago,” it reminds us.

“A \$168-billion (€149.68-billion) stimulus named the Economic Stimulus Act of 2008, which mainly provides tax rebates to low and middle income Americans, was signed then by President George W. Bush in February 2008, aiming to increase employment and boost the U.S. economy.” President Bush wasn’t alone, either. “China pumped 4-trillion yuan (about \$565-billion or €503.7-billion) as a stimulus package in late 2008 to lift its export-oriented economy under the impact of global financial crisis. The country’s GDP rose by 10.4 percent in 2010 from 8.7 percent in 2009. But that plan also caused the hidden problem of overcapacity.” That’s a timely reminder that huge financial stimulus packages are a somewhat blunt instrument and hard to target precisely. Give too much leeway to a nation’s bankers



President George W. Bush signing the Economic Stimulus Act of 2008

© White House

and anything can happen, as Joseph Stiglitz, the Nobel Prize-winning economist, pointed out in his book on the financial crisis of a decade ago, caused by greed and an unregulated trade in derivatives. “Bankers are (for the most part) not born any greedier than other people,” he wrote in ‘Freefall’, “It is just that they may have more opportunity and stronger incentives to do mischief at others’ expense. When private rewards are well aligned with social objectives, things work well; when they are not, matters can get ugly.” And they did.

But it’s not just bankers we should fear. The pandemic will permanently change the world order, according to some experts. Governments that have seized powers to cope with the pandemic may be reluctant to surrender them afterwards: it’s handy to have your population under your control. Writing on the FP web page, Stephen M. Walt, the Robert Renée Belfer professor of international relations at Harvard University warned that “COVID-19 will create a world that is less open, less prosperous, and less free. It did not have to be this way, but the combination of a deadly virus, inadequate planning, and incompetent leadership has placed humanity on a new and worrisome path.” Robin Niblett, the director and chief executive of the UK’s Chatham House think tank, otherwise known as the Royal Institute of International Affairs, is even gloomier about our post-virus prospects: “It seems highly unlikely in this context that the world will return to the idea of mutually beneficial globalization that defined the early 21st century. And without the incentive to protect the shared gains from global economic integration, the architecture of global economic governance established in the 20th century will quickly atrophy. It will then take enormous self-discipline for political leaders to sustain international cooperation and not retreat into overt geopolitical competition.”



Robin Niblett, director and chief executive of Chatham House

This pandemic has been the big disruptor: as big as a major war, more destructive than a major recession (although it will cause one). Countries may never be as co-operative with one another again. In a crisis, there’s no place like home, and people and countries may turn inwards to seek their salvations among their own kind. High streets will lose forever some of the familiar shops and businesses, travel - especially international travel - will be undertaken more reluctantly and warily. Will we ever feel safe among crowds, especially foreign crowds? Yes, probably; people are surprisingly quick at getting used to things. But it won’t be the same. Office workers now working from home will still be in contact through their computers, but they won’t be gathering around the coffee machine or water cooler, so conversations will be more pre-planned and less spontaneous; there will be less gossip. How that will affect relationships and ‘team spirit’ is something for tomorrow’s psychologists to mull over and enable them to write endless learned books about it. The fact is, most human beings don’t function well alone; we are a tribal creature by nature and calls to suicide prevention hotlines

have dramatically increased during lockdown. It could produce a peculiar dichotomy in which people feel ill at ease alone, but also when surrounded by people. In the UK, Foreign Secretary Dominic Raab has said that when the UK does begin to come out of lockdown, people will be moving into a “new normal”, rather than returning to their pre-pandemic lives. Be prepared for shocks. Indeed, hundreds of former prime ministers, presidents, Nobel laureates and lawmakers have sent an open letter, organised by the Institute for Democracy and Electoral Assistance, based in Stockholm, are warning of governments becoming increasingly authoritarian. “Even some democratically elected governments are fighting the pandemic by amassing emergency powers that restrict human rights and enhance state surveillance without regard to legal restraints (or) Parliamentary oversight,” the letter warns. We may find there are worse things out there than a virus once the pandemic ends, such as repressive ideologies and people willing to uphold them by force. And no amount of hand washing or vaccine will get rid of them.

T. Kingsley Brooks

EUROPOL

Illegal streaming service with over 2 million subscribers worldwide switched off

The illegal distributors were broadcasting across three continents earning more than €15 million in estimated illegal profits.

The Spanish National Police (Policía Nacional) dismantled a large criminal network illegally distributing audio-visual content in Europe, Asia and the Middle East and laundering the criminal proceeds. The investigation, supported by Europol and Eurojust, also involved law enforcement authorities from Belgium, Canada, Czechia, Denmark, France, Italy, Germany, Luxembourg, Netherlands, Poland, Romania, Sweden, the United Kingdom, and the United States.

On the action day on 3 June 2020, law enforcement authorities across the EU carried out 15 house searches, arrested 11 individuals (4 in Spain, 1 in Germany, 3 in Sweden, 3 in Denmark) and interrogated 16 others for their possible involvement in the illegal scheme. The suspected leader of the criminal network is among the arrested individuals. The actions resulted in the seizure of €4.8 million, including properties worth more than two million euros, four cars worth

about half a million euros, luxury watches, cash, cryptocurrencies and electronic equipment. Law enforcement authorities took down 50 IP addresses and part of the online criminal infrastructure while 11 bank accounts totalling €1.1 million were also frozen.

OVER 40 000 TV CHANNELS, MOVIES AND SERIES WERE BROADCASTED ILLEGALLY

The investigation into the activities of the criminal network started in 2019 when the Spanish National Police detected several websites illegally distributing audio-visual content in different countries across Europe, Asia and the Middle East. The distribution of the illegal services, in breach with intellectual property rights, was set-up via Internet Protocol Television (IPTV) and managed from Spain. The criminal network was offering illegally more than 40 000 TV

channels, movies, documentaries and other digital content via websites hosted on an international network of servers. The illegal service was made available through an attractive web environment at prices much more competitive than the ones on the legal market. The criminal network had even put in place a sophisticated technical assistance and quality control through an own customer support online platform. More than 2 million subscribers were receiving these illegal services totalling the profits for the criminal network at an estimated €15 million. The investigation focused on shutting down the servers and disconnecting the IP addresses, and obtaining relevant information to effectively dismantle the criminal group.

Europol assisted the investigation by facilitating the information exchange and supporting the financial investigation. During the action day, a Virtual Command Post was set-up at Europol to facilitate the operational coordination and the real-time information exchange and operational analysis against Europol's databases.

This is a first example of the synergies created by the merger of different teams comprised of economic and financial experts under the new European Financial and Economic Crime Centre recently created at Europol.

Europol's IPC3 (Intellectual Property Crime Coordinated Coalition) which supported the investigation is a project co-funded by the EUIPO to combat Intellectual Property Crime.



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COUNCIL OF EUROPE

Sanctions and measures without deprivation of liberty increasingly used in Europe: new survey

Twenty European prison administrations released over 118,000 inmates as a measure to prevent the COVID-19 pandemic in the first month of the lockdown.

Strasbourg, 18.06.2020 – European states are increasingly resorting to sanctions and measures which keep offenders in the community without deprivation of liberty, according to the 2019 SPACE II annual survey, carried out for the Council of Europe by the University of Lausanne.

On 31 January 2019 there were around 2 million people in Europe subject to these alternatives to imprisonment such as electronic monitoring, community service, home arrest, treatments, semi-liberty or conditional release. From 2018 to 2019, the probation population grew by 7.9%, from 1,547,572 to 1,699,676 people in the 28 probation agencies

that provided this data for both years, whilst their overall probation population rate grew from 137.8 to 139.6 probationers per 100,000 inhabitants.

The SPACE II survey was published together with a special SPACE I report on Prisoners in Europe in Pandemic Times. This report includes an evaluation of the short-term impact of the COVID-19 pandemic on European prison populations up to 15 April 2020, a period which roughly coincides with the first month of lockdown.

Twenty out of 43 prison administrations reported having released inmates to prevent the

spread of COVID-19, applying various measures such as amnesties, early and provisional releases and other alternatives to deprivation of liberty. On average, these 43 administrations released 5% of their population (over 118,000 inmates).

Excluding countries with less than 500,000 inhabitants, those which released the highest proportions of prisoners were Turkey (35%; 102,944 inmates), Cyprus (16%; 121), Slovenia (16%; 230), Portugal (15%; 1,874), Norway (13%; 401), Ireland (12%; 476), Italy (9.4%; 5,739) and Spain (7.4%; 4,356). France released 14% of its prison population (10,188 inmates) but this includes all releases (for example

those of inmates arriving at the end of their prison sentence) and not only those related to measures to prevent COVID-19. Including these persons would lead to over 128,000 inmates released in Europe since the beginning of the pandemic.

Four prison administrations which reported overcrowding on 1 January 2020 had significantly reduced their prison density by 15 April (Cyprus, Italy, France and Slovenia), whilst Sweden, the only country not to apply a lockdown of its population, joined the group of countries with overcrowded prisons. Ten of the administrations with a prison density of more than 100 inmates per 100 places on 1 January continued to be overcrowded on 15 April: Turkey, Romania, Greece, Hungary, Cyprus, Italy, France, Serbia, Czech Republic and Austria; although Turkey reduced its prison population drastically in May.

HIGHER PROBATION THAN IMPRISONMENT RATES

According to the SPACE II survey, on 31 January 2019 there were across Europe 155 probationers per 100,000 inhabitants compared to 105 inmates in prisons per 100,000 inhabitants. The overall high rate of probationers in Europe shows that community measures and sanctions are increasingly used across the continent: in 32 out of the 40 countries (or administrative entities), the probation population rate was higher than the prison population rate.

On average, in Europe, there were 165 probationers for every 100 inmates. Only a few administrations – Serbia, Azerbaijan, Switzerland, Bulgaria, Norway, Russia and the State Administration of Spain – had lower probation population rates than prison population rates. The highest probation population rates were reported by Poland (646 persons per 100,000 inhabitants), Turkey (591), Georgia (541) and Lithuania (523).

Over time, the Council of Europe has called on its member states to use imprisonment as a measure of last resort and to apply alternatives to deprivation of liberty as often as possible. The aim is to favour



the integration of offenders into society and thus reduce recidivism, prevent overcrowding, improve the operation of prisons, and promote a humane and efficient treatment of prisoners.

However, there seems to be a risk that their extended use may lead to “probation overcrowding” in the future. “There are signs that some probation agencies seem to be using community sanctions and measures as supplementary sanctions and not as measures replacing imprisonment. As a consequence, a growing number of persons are being placed under supervision by the criminal law system, in prison or on probation”, said the Head of the SPACE team, Professor Marcelo Aebi, from the School of Criminal Sciences of University of Lausanne, Switzerland.

In 2019, foreigners accounted for 8% of probationers, a smaller proportion than among the prison population (14%). On average, 10% of probationers were female compared to 6% among the prison population. In every country, with the exception of Serbia and Greece, the proportion of women was higher on probation than in prison, probably because probation is used for less serious offences, and women are seldom involved in violent crimes which usually lead to a prison sentence.

Adding the total number of probationers (1,969,204) to the total number of inmates (1,530,442), on 31 January 2019, 3.5 million people were imprisoned or under the supervision of probation agencies in Europe, this being a low estimate of the European “correctional population” since it refers only to those countries which provided data.

The countries with the highest correctional population rates - above the European median of 267 inmates and probationers per 100,000 inhabitants - were Turkey (920), Poland (836), Lithuania (755) and Russia (737). Countries with the lowest rates were Finland (103), Norway (106), Iceland (113) and Switzerland (131).





FOLLOW THE MONEY (PAST THE RED TAPE)

How money laundering rules disturb the (mostly) innocent

Europol sets out its aims in dealing with gangsters and money laundering quite clearly. "To effectively disrupt and deter criminals involved in serious and organised crime, law enforcement authorities need to follow the money trail as a regular part of their criminal investigations with the objective of seizing criminal profits." The route towards such dubious money has never been, as Ophelia put it in Hamlet, "the primrose path of dalliance"; far from it. Clever accounts, clever lawyers and ruthlessly greedy crooks have made it a path of multiple twists and turns, punctuated with boobytraps, sometimes leading nowhere that the law can follow. In our commercial banks, it merely seems to lead behind the rope barriers that separate where the ordinary customers can go and where the somewhat more privileged customers - privileged by whatever means and for whatever purpose - can mingle with senior management and serious financial advisers. For the ordinary customers, though, the people with whom they mainly liaise are lowlier bank clerks with little or no experience of business or how it operates.

This greatly inconveniences the honest bank customer. It also somewhat excessively inconveniences the very mildly dishonest customer whose shadier operations and habits don't exactly endanger the state or disrupt the economy; the sort of activity more often labelled 'naughty' than 'malignant'. So why go to so much trouble? Well, the serious offenders are very serious indeed. According to Money Task Force, despite all the measures put in place to restrict money laundering, experts in the United States believe the total figure is at least \$1-trillion (almost €0.888-trillion) and may be as high as \$1.5-trillion (€1.331-trillion). In the United States'

case, that's around 7.5% of GDP, a not insignificant sum. Think of it in terms of the \$4-trillion the US Federal Reserve has promised to inject into the American economy through slashed interest rates, quantitative easing (effectively printing more money) and injections of liquidity.

If only the bad guys would pay their share. By an odd coincidence, 7.5% is the proportion by which the International Monetary Fund expects the economies of the eurozone countries - the nineteen that share the euro as a currency - to contract this year. Back in February it was forecast to grow, albeit by a measly 1.2%. Lockdown and the coronavirus have



Federal Reserve Bank Building in Boston

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changed all that. If the practice of money laundering could be stopped (it cannot, of course) and its proceeds redirected to the public good, it would make a massive difference. In Fyodor Dostoyevsky's book, *Crime and Punishment*, the young criminal, Raskolnikov, justifies his murder of the old pawnbroker, Alyona Ivanovna, that way. "Hundreds, thousands perhaps, might be set on the right path; dozens of families saved from destitution, from ruin, from vice, from the Lock hospitals (hospitals to treat venereal disease) - and all with her money. Kill her, take her money and with the help of it devote oneself to the service of humanity and the good of all." But no-one is suggesting the practice of money laundering could be ended by a slightly unhinged former law student with an axe.

The Covid-19 pandemic has had an impact on the multinational criminal gangs. Previously, they could launder some of their ill-gotten gains by converting it to cash and using mules to take it wherever it was needed. Social distancing has put a stop to that but there are plenty of other measures. Take cryptocurrencies, for instance, that weird transactional tool beloved of those who trade on the dark web and reliant on a blockchain very few understand. The amount being laundered through cryptocurrencies tripled between 2017 and 2018 and is said to have risen again, although the volumes remain relatively small. It's a step up from the earliest examples on money laundering. It's said to have started in the 13th century BC, when pirates, often in the pay of crooked rulers, stole from the main trade routes and sold on the pilfered goods disguised as legitimate trade. In the 1930s, Chicago mobster Al Capone took it further, routing his profits through a variety of legitimate businesses, including

laundrettes, because they were a cash business and hard to keep tabs on. It's been suggested that it could be why the practice is known as 'money laundering', although that's probably untrue: it was simply a case of making dirty money look clean.

But it means we have to feel sorry for the person who is well-heeled and honest (and, indeed, the rest of us who are less well-heeled and in no position to be seriously dishonest). While international crime and racketeers are still managing to hide their profits from the law enforcement authorities and the taxman, people who just fancy a flutter at the casino or to rent one of the exotic and beautiful Russian ladies for an hour or a night find they have no access to sufficient funds. The ladies in question flood the exclusive resorts, pursuing the ancient trade referred to by the late fantasy writer Terry Pratchett as "negotiable affection", but their would-be clients find it hard to withdraw enough cash from their banks to pay for their favours. Since it's unlikely that the ladies personally gain much from such a transaction, one has to assume they're employed by somebody exploiting the market - and them - and who is being forced subsequently to launder his profits, which must be considerable. After all, Al Capone ran a prostitution racket among his many other criminal activities. Perhaps that's why he succumbed to neurosyphilis, becoming increasingly debilitated and mentally confused following his release from prison for tax evasion before his death from cardiac arrest in January 1947 at the age of 48. One is tempted to say "be sure your sins will find you out", but there are plenty of modern-day crooks around the world, currently immune from the repercussions of their deeds. And still exploiting women, of course.



Al Capone Photo FBI

SEND YOUR CRIME BY WIRE

Measures to counter money laundering (AML) are also part of the measures to counter the funding of terrorism (CTF); the two are often linked. According to the paper 'Red Flags and Black Markets', by Barry Peterson and quoted in the *Journal of Strategic Security*, "Money laundering may take the form of embezzlement to hide proceeds of corruption, introducing funds from criminal enterprises into legitimate banking, or simply the transferring of funds to or from parties on known criminal or terror watch lists." In other words, their methods are similar, if the goal of the criminals is pure self-enrichment, while the goal of the terrorist is to change the world in a way that suits his or her political or religious beliefs. In most cases, the perpetrators are remarkably similar. Barry Peterson again: "Classic perpetrators of these illicit transfers are transnational criminal organizations (TCO), corrupt government officials, terrorist organizations, and individuals seeking to disguise the proceeds of illegal activities such as embezzlement. Wire fraud may be one of the most common methods by which these illicit transfers are conducted, but they are by no means the only one. Credit card fraud, paper instrument fraud (travellers checks, money orders), over- and under-paying for goods and services and trading in hard commodities are all effective ways of injecting illicit funds into the licit financial system."

Wire transfers have become the favoured method for shifting illicit funds from one place to another. It's really because technological advances have made it easier for banks, financial institutions and individuals to communicate. The easier it is to contact the international banking system, the easier it becomes



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Cryptocurrency logos

for criminals to use these transfers for their own nefarious purposes. Given the vast numbers of such transactions and the huge volumes of money thus moved, finding one that looks suspicious is never easy. At a meeting of bankers from Spain and the rest of Europe at the Universidad de Navarra en Madrid, organised by the Banco Bilbao Vizcaya Argentaria S.A., BBVA's Global Head of Supervisors, Regulation and Compliance, Eduardo Arbizu, admitted that while anti-money laundering is easy to define as a task, it's becoming harder to carry out.



Eduardo Arbizu, BBVA's Global Head of Supervisors, Regulation and Compliance

"What we, the financial sector, are being asked to do," he told delegates, "is to collaborate with society to prevent money from crime from entering the financial system. In other words, to detect money coming from illicit activities, prevent it from entering the system and alert law enforcement agencies so that they can take adequate action." Everyone knows what must be done, but first they have to detect the criminal intent and identify money transfers that shouldn't be happening from amongst the millions that should. Arbizu said that global banks face six major challenges in tackling money laundering: "Their international footprint, supervisory pressure, maximizing efficiency and effectiveness, leveraging technology, recognizing specialized talent and raising awareness among society about how important it is that everybody collaborates with financial institutions." Laudable aims, but the crooks are quite sophisticated, too.

The authorities in Canada, for instance, admit it's a problem. "All high-risk areas are covered by AML/CFT measures, except legal counsels, legal firms and Quebec notaries," says a report. "This constitutes a significant loophole in Canada's AML/CFT framework." It's not only Canada that has legal loopholes, although at least they know what's wrong.



FATF President Xiangmin Liu, Vice-President Marcus Pleyer and Executive Secretary David Lewis met with The Duke of Cambridge and Lord William Hague at Kensington Palace to discuss the United for Wildlife Financial Taskforce, spearheaded by The Duke of Cambridge and The Royal Foundation

"Financial intelligence and other relevant information are accessed by Canada's financial intelligence unit, FINTRAC, to some extent and by law enforcement agencies (LEAs) to a greater extent but through a much lengthier process. They are used to some extent to investigate predicate crimes and TF activities, and, to a much more limited extent, to pursue ML. FINTRAC receives a wide range of information, which it uses adequately, but some factors, in particular the fact that it is not authorized to request additional information from any reporting entity (RE), limit the scope and depth of the analysis that it is authorized to conduct." The result, it says, is disappointing: "Law enforcement results are not commensurate with the ML risk and asset recovery is low."

The Law Society (TLS), which represents more than 100,000 solicitors in the UK, sees a difficult rôle for solicitors in dealing with the issue. "Economic incentives are one motivator of criminal activity. Removing the economic profits of crime can assist in disrupting future criminal activity and increasing the opportunity costs of committing certain types of crimes. For these reasons, the prohibition on concealing and using the proceeds of crime has a clear social justification."

However, there's no doubt that the ways in which the anti-money laundering measures are applied have a downside for legitimate businesses, especially those that are too small to afford the sorts of legal and accountancy help enjoyed by the criminals, or even by their larger competitors. "These small firms are receiving the same methodologies and risk indicators as larger firms, both within the regulated sector as a whole and within their individual sectors," says TLS. "They are being expected to assimilate that information into their business as effectively as those larger firms, which will inevitably have more

resources. Many smaller firms are simply not involved in the types of transactions mentioned in the existing methodologies. As a result they find themselves having to: purchase the expertise to adapt existing information; assess the risks for their type of firm from private information held by consultants; and develop policies, procedures and tools to enable them to fully implement a risk-based approach." Over-complicated laws with which it's not easy to comply and all too easy to contravene, even unintentionally, are not helping. TLS believes the whole business needs a re-think. "More resources need to be employed by UK intelligence agencies, the EU and FATF (Financial Action Taskforce) in developing relevant, timely and sector specific methodologies and risk indicators, including more focussed assistance for smaller firms." And, of course, it stops the wealthy and adventurous from easily getting their hands on enough cash-in-hand to pursue their particular interests.

VARIOUS RULES, VARIOUS ENFORCERS

The rules to counter money laundering differ around the world and there are a lot of different authorities trying to ensure compliance. The European Union, for instance, has the European Banking Authority (EBA), The United States has the Office of the Comptroller of the Currency (OCC), globally there's the Financial Action Task Force (FATF).



FATF is an intergovernmental organization, set up to combat money laundering and the financing of terrorism. It boasts 36 member states and its jurisdiction spans the world, taking in every major financial centre. Its primary function is to set global standards for AML compliance and monitor their effective implementation. In fact, although the OCC is officially in charge of tackling money laundering and terrorist financing, the US relies on the Banking Secrecy Act and the Financial Crimes Enforcement Network (FinCET) to make it work.

Naturally, for all administrations, the rules have to be constantly updated to keep up with inventive crooks and their devious accountants. For instance, the EU's 5th Anti-Money Laundering Directive (5AMLD), which was adopted in 2018, came into effect in January 2020. It was focused on cryptocurrency regulations and introduced a legal definition of cryptocurrency, reporting obligations, and rules for crypto wallets. 5AMLD also introduced new legal requirements for prepaid cards, transactions involving high-value goods, beneficial ownership, customers from high-risk third countries, and Politically Exposed Persons (PEP) lists. In case you're wondering, a PEP is defined by the international accountancy group Accuity as "someone who, through their prominent position or influence, is more susceptible to being involved in bribery or corruption." That probably means 'best avoided', although one hopes that being in a prominent position doesn't mean someone is automatically dishonest. 5AMLD was followed, inevitably, by 6AMLD - the 6th Directive - which includes provisions for a harmonised definition of money laundering offences, an extension of the scope of money laundering and the criminal liability of persons associated with it, and tougher punishments for those convicted of money laundering. It is always a case of running to catch up.

According to Europol, "economic and financial crime currently offers a relatively low risk of discovery and prosecution with potentially very high profits." If you're a criminal, what's not to like? Even today, with more sophisticated detection methods, Europol admits that "the EU still shows mediocre results when it comes to the recovery of criminal assets." That's putting it mildly: more than 98% of criminal assets remain unrecovered. Even so, Europol can boast some considerable successes. In April 2018, fifty-eight suspects were arrested in Belgium, Germany, Portugal and Spain in connection with a criminal organisation that specialised in VAT fraud and money laundering

services. More than a hundred premises were searched in various EU countries and law enforcement officers seized fifty-two luxury cars, a lot of documents, €400,000 in cash, IT material and one weapon. The gang involved had a network of more than a hundred companies, most of them shell companies registered in the names of frontmen and scattered across Belgium, Bulgaria, Cyprus, Germany, Hungary, Italy, Portugal, Romania, Spain and the United States. The group owned a production centre to create false invoices and perform VAT fraud on electronic goods and the import of luxury vehicles at below invoice price. Over three years, Europol reports, the gang had issued false invoices to a value of more than €250-million. Investigations revealed that the money was 'layered' among the large network of shell companies before being funnelled to Bulgarian or Hungarian bank accounts. Layering is the stage where the illicit money is blended with legitimate money or placed in constant motion. Layering often involves generating so many different transactions that the laundered cash disappears into them. In one example, the group moved more than €140-million through two shell companies in two years. They then used different methods to integrate the profits, such as investing in real estate and genuine businesses, or the purchase and sale of luxury vehicles. The final destinations of the proceeds of crime were Italy, Spain and the United States.

Even so, the authorities are aware that their efforts to halt the laundering of money by criminal groups can get in the way of legitimate businesses and even affect their ability to operate profitably. That's why the European Banking Authority (EBA) has issued a call for input to understand the scale of 'de-risking' at EU level, what drives it and its impact on customers. This call, which forms part of the EBA's work to lead, coordinate and monitor the EU financial sector's AML/CFT efforts, aims primarily to understand why financial institutions choose to de-risk instead of managing the risks associated with certain sectors or customers. This call for input is of interest to stakeholders across the financial sector and its users, as the EBA wants to hear from all groups affected by de-risking. In other words, sooner than police the flow of money through their systems, many banks are choosing to eschew risks altogether, which is bad news for enterprising businesses. The EBA sees this development as a threat it needs to address, possibly by changing its official advice. "To manage customers' profiles associated with higher money laundering

and terrorist financing (ML/TF) risks," it says on its website, "financial institutions may decide not to service a particular customer or category of customers. This is what is meant by 'de-risking', and it impacts both financial institutions and their users. De-risking affects particular sectors and customers across the EU, such as banks engaged in correspondent banking relationships, payment institutions and NGOs. Given the variety of institutions and customers affected by de-risking and the different degree at which Member States are exposed to this phenomenon, the EBA is reaching out to stakeholders across the financial sector and its users to hear from their experiences."

GETTING THE GENIE BACK IN THE BOTTLE

The United Nations Office on Drugs and Crime (UNODC) is not hopeful that it can be stopped any time soon, not now the genie of illicit money flows is out of the bottle (if it was ever in the bottle, that is).



One might be tempted to think that if so, little dirty money is intercepted and recovered, is it worth all the pain that honest operators have to go through? Well, yes. Criminals, especially drug traffickers, may have laundered around \$1.6 trillion (€1.43-trillion), or 2.7 per cent of global GDP, in 2009, according to a new report by UNODC. This figure is consistent with the 2 to 5 per cent range previously established by the International Monetary Fund to estimate the scale of money-laundering. Less than 1 per cent of global illicit financial flows is currently being seized and frozen, according to the report 'Estimating illicit financial flows resulting from drug trafficking and other transnational organised crime'. It makes for

worrying reading. “Tracking the flows of illicit funds generated by drug trafficking and organized crime and analysing how they are laundered through the world’s financial systems remain daunting tasks,” acknowledged Yury Fedotov, Executive Director of UNODC. In his introductory comments he says: “Prior to this report, perhaps the most widely quoted figure for the extent of money-laundering was the IMF’s ‘consensus range’ of between 2-5 per cent of global GDP, made public in 1998. A study-of-studies, or meta- analysis, conducted for this report, suggests that all criminal proceeds are likely to have amounted to some 3.6 per cent of GDP (2.3 - 5.5 per cent) or around US\$2.1-trillion (€1.87-trillion) in 2009.” The figure has probably risen since then, although the proportion has probably remained much the same.

And yet, banks continue to flout the rules in the name of profit, putting the desires of their shareholders above any concern for the countries in which they operate, the legitimate businesses that use their services or the people in the streets whose jobs may be put at risk by their crooked customers’ criminal activities.

Britain’s Financial Conduct Authority, for instance, has recently fined Germany’s Commerzbank nearly £38-million (€42-million) over failures in anti-money laundering checks at its London offices over a period of five years. The FCA said it would have been more than £54-million (€60-million) were it not for the fact that senior figures in the bank have agreed to cooperate and install new systems to try and ensure that customers are not transferring through the bank money earned from criminal activities. As the FCA’s Final Notice states: “Commerzbank London agreed to resolve this matter and qualified for a 30% (stage 1) discount under the Authority’s executive settlement procedures. Were it not for this discount, the Authority would have imposed a financial penalty of £54,007,800 (€60-million) on Commerzbank London.” Helpful bosses, then? Well, yes and no. The FCA said they had still put profits above paying attention to dubious activities, having failed to react to previous FCA warnings: “Commerzbank London was aware of these weaknesses and failed to take reasonable and effective steps to fix them despite the FCA raising specific concerns about them in 2012, 2015 and 2017,” said a statement. “These weaknesses also persisted during a period when the FCA was publishing guidance on steps firms could take to reduce financial crime risk as well as taking enforcement action against a number of firms in relation



Europol's headquarters, The Hague, The Netherlands

to AML controls. Despite these clear warnings, the failures continued.” FCA Executive Director of Enforcement and Market Oversight, Mark Steward, said: “Commerzbank London’s failings over several years created a significant risk that financial and other crime might be undetected. Firms should recognise that AML controls are vitally important to the integrity of the UK financial system.” It seems likely that the FCA will be watching closely in case of any future breaches, such as a failure to conduct “timely periodic due diligence on its clients,” it says, “which resulted in a significant number of existing clients not being subject to timely know-your-client checks. By 1 March 2017, 1,772 clients were overdue updated due diligence checks. A material number of these clients were able to continue to transact with the bank’s London branch due to the implementation of an exceptions process, which was not adequately controlled or overseen and which became ‘out of control’ by the end of 2016.” The FCA said Commerzbank also failed to address long-standing weaknesses in its automated tool for monitoring money laundering risk on transactions for clients.

For example, in 2015 Commerzbank London identified that 40 high-risk countries were missing from, and 1,110 high-risk clients had not been added to, the transaction monitoring tool. It also failed to have adequate policies and procedures in place when undertaking customer due diligence on clients. The watchdog said that in 2016 a client identified as being ‘high risk’ was allowed to make sixteen transactions, even though his required background check was five years overdue. It’s claimed these deals made the bank a profit of over £270,000

(€300,000) in fees, but Commerzbank London has also voluntarily implemented a wide-ranging business restriction, which included temporarily stopping taking on new high-risk customers and suspending all new trade finance business activities.

Meanwhile, organised criminal gangs (OCGs) continue to invest their profits in both the legal and illegal economy. Their skills at accomplishing this vary enormously and specialised gangs have cropped up to do the laundering on behalf of those less adroit at such things. According to Europol, money launderers often set up and use shell companies that lack assets and perform few or no activities. Often, they are registered in offshore jurisdictions. “In exchange for a commission of between 5% and 8%, these syndicates offer complex laundering techniques and carry out the laundering operations on behalf of other OCGs.”



On 27 January 2019, 17 of the 19 national central banks in the euro area stopped issuing €500 banknotes

Europol says that professional enablers such as solicitors, accountants and company formation agents then provide the skills and knowledge of financial procedures required. It's a specialised area of crime and a relatively small number of criminal groups provide such a service, but Europol reckons them to be especially dangerous. "The criminal groups that possess the expertise or have access to skilled online money launderers are potentially of a bigger threat than those using traditional money laundering tools such as cash."

So what is the favourite denomination of banknote for money launderers? Why, the €500 banknote, of course. With those, a very large amount of money can be carried in a very small space. And, as the European Central Bank says on its website, although these high denomination notes are no longer produced, they are still legal tender. "On 27 January 2019, 17 of the 19 national central banks in the euro area stopped issuing €500 banknotes. In order to ensure a smooth transition and for logistical reasons, the Deutsche Bundesbank and the Oesterreichische Nationalbank stopped issuing the notes on 27 April 2019."

Existing €500 banknotes continue to be legal tender, so you can still use them as a means of payment and store of value (i.e. spend and save them). Similarly, banks, bureaux de change and other commercial parties can keep recirculating the existing €500 notes. Like all denominations of euro banknotes, the €500 note will always retain its value and can be exchanged at a national central bank of the euro area at any time." That must be very reassuring for the money launderers. I've seen hotels in France and elsewhere refuse to accept them and they have always been controversial, in the light of their convenience for crooks, but they were popular in Germany.

We can't leave the subject of money laundering without looking at cryptocurrencies, such as Bitcoin and Ethereum, which make up most of that market. Drug traffickers use bitcoin automated teller machines (ATMs) to convert criminal profits into virtual currency. This was the case for a specialised money laundering scheme in Spain, which used cryptocurrency ATMs and a process known as 'smurfing', in which the sum being laundered is divided into smaller, seemingly unrelated amounts, which can be placed in the financial system without arousing suspicion. In the Spanish case, some €9-million was laundered over a single year. On the day the police closed

in, a cannabis cultivation facility with 165 plants in it was dismantled, seven properties were searched, including one money exchange office with two bitcoin ATMs, nine people were detained and sixteen charged. The authorities seized four properties, more than two hundred bank accounts, eleven vehicles, €18,000 in cash, thirty mobile devices, jewellery, documents and identity documents that had been used in providing the service. Who said 'crime doesn't pay'?

Apart from cryptocurrencies, criminal gangs based in North Africa, the Middle East and China still use gold and diamonds. Some gangs franchise out their money laundering activities by offering interest-free cash loans in Europe to be repaid in a destination country, often the Middle East or South America, within a set period of time. Criminals also continue to launder their profits through buying real estate, despite measures taken in the EU to clamp down on the practice. Although there have been rapid changes in high-tech methods, the old-fashioned ways continue to have appeal. Cash-intensive businesses such as nightclubs, bars, and gambling services remain popular, as they were in Al Capone's day, although the Covid-19 pandemic has greatly reduced - in some places virtually eliminated - laundering methods involving the use of cash. Dirty money needs not only to be cleaned but also disinfected at present.

There are a number of things that should serve to alert banks and other financial bodies to suspicious transactions, such as transfers between business entities in wholly unrelated industries for no

legitimate reason. Transfers of unusually large amounts should raise a red flag, as should transfers to high-risk countries, transactions involving off-shore banks or tax havens and transfers involving downstream banking activity (normally the transfer of lending activity from a parent company to a subsidiary). Missing data, empty data fields, unusual entries, the frequent occurrence of suspicious names are also among the warning signs, although they could equally signal lax training and poor employment standards. Banks should not be blind to such errors.

You may be surprised by the innocuous nature of the industries in which money laundering would seem most popular: used car imports and exports, flower shops, precious metal companies, real estate and - strangely - recycling. There is a tendency among the public to see money laundering as a virtually victimless crime. It isn't. The money passing through may be to pay for some rich gangster's new yacht or penthouse apartment, but it may be to pay the hitman who kills that gangster's rival, for young girls to entertain him and his friends or it may be for bombs and weapons to further the aims of a terrorist group. So when you order that big bouquet for your partner's birthday or a single orchid for a lady you don't want your wife to know about, just remember that the money you hand over could be helping to buy grenades, nerve gas or a box of 7.62mm cartridges. Sanitize that, if you can.

Robin Crow



Some of the \$6 million dollars seized as part of an investigation into money laundering
Photo FBI



SMALL IS BEAUTIFUL... AND EFFICIENT

How Monaco handled the Covid-19 pandemic

The sanitary, economic and political crisis that the Covid-19 pandemic has brought about is one of the worst we have seen in decades. But it is a shared reality, and a calamity that has affected us all in one way or another. Such pandemics are not confined to specific territories, and so dealing with it requires a holistic and global approach.

In the face of the Covid-19, ordinary people are helpless and all they can do is ask if those in authority are capable of dealing with it and whether they are doing enough.

Across the world, many heads of state have been in practically a hand-to-hand struggle with managing the pandemic which has swept across the entire globe.

Unfortunately, there have not been many world leaders who managed to exercise the necessary influence and to provide global direction.

In the not so distant past, the world looked to American leadership whenever it faced a crisis. But, in the face of the onslaught of the Covid-19, many other countries did far better at containing the virus than the United States.

In some of the smallest European countries, their leaders have shown the example in how this pandemic can be combatted when the advantage of having a small population and efficient health services are fully taken into account.

At just over 2 square kilometres, the Principality of Monaco is the second smallest independent state after the Vatican. And yet, with a population of under 40 000, it is the most densely populated country in the world.

The virus was confirmed to have reached Monaco at the end of February 2020 when a male patient was admitted

to the Princess Grace Hospital. The Principality found itself confronted with a sanitary situation that required calm, reasoned, science-based responses.

And on March 14, it launched its action plan. Schools, nurseries, restaurants, casinos, cafes, theatres, cinemas and nightclubs were swiftly closed and

three days later, Prince Albert II in a solemn address to the nation, announced the strengthening of the measures that had to be taken by the government.

A series of sweeping measures were announced, including the cancellation, for the first time since 1954, of the legendary Monaco Formula 1 Grand Prix. Many other high-profile events



© Edm

The Monaco Palace during lockdown

that are all crucial to the financial health of the Principality were also either cancelled or in some cases, rescheduled.

In response to a proposal by the National Council which is in effect the Parliament of the Principality of Monaco, HSH Prince Albert II endorsed a proposal to set up a joint monitoring committee for the Covid-19, to be chaired by Serge Telle, the Head of the Government (Minister of State), with joint representation from the Government and National Council (Parliament), presided by Stéphane Valeri.

As a result, the National Council would be able to make any proposal it deemed necessary in order to help combat the pandemic and its effects in every domain. Plans from the outset, included provisions for face masks for all the population, in addition to health workers in the front lines providing

vital services, as well as for the police and other emergency services.

Then, there were plans for providing Covid-19 testing for the entire population.

There were two tests envisaged for every resident, including the thousands of salaried workers, mainly from France and Italy who come to work in Monaco daily. Their numbers are estimated at 25,000 and 4,000 respectively. The first test by fingerstick detects infection in a patient, and the second ensures any negative results obtained in the first test are correct. This required the purchase of some 200,000 test kits.

In order that access to Monaco's pharmacies and supermarkets remained limited to residents and neighbouring communities, the National Council also called for strict control of borders as well as the rapid



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Serge Telle, Monaco's Head of Government (Minister of State) also tested positive in March 2020



© Wikipedia

Stéphane Valeri, President of Monaco's National Council (Parliament)

injection of funds, to the tune of an initial 50 million euros into the national economy, to help companies and their employees weather the crisis.

Plans were also drawn up to bring in legislation that would prohibit the dismissal of salaried workers during the crisis. Support measures were put in place for temporary unemployment, in order to alleviate the precarious situation of employers.

There were also calls for private landlords to be more flexible with tenants whose businesses were struggling financially. It was recommended that rents be lowered



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Prince Albert having a temperature test



© Photo Gaëtan Luci Palais Princier

Prince Albert II visiting the Covid-19 call center and the Home Patient Monitoring Center at the Rainier-III Auditorium

and that landlords would accept to be paid in instalments. As for commercial tenants whose incomes risked becoming practically non-existent, the State would subsidise part of their monthly rent. The government decided to continue paying out monthly bonuses amounting to 1000

euros for all those working on the front line of public services, which of course includes health workers. Starting March 2020, most of small and medium enterprises received a € 5.000 monthly subsidy. Moreover, a measure was set in place whereby the State granted preferential interest rates for loans taken out with lending institutions in the Principality in order to help businesses in Monaco.

Monaco's annual budget was also adjusted, and provisions made for tapping into the Special Reserve enshrined in the Constitution. This was necessary in order to deal with loss of revenues and increasing expenses in dealing with the crisis, estimated to amount to hundreds of millions of euros.

PLANNING AHEAD FOR LOCKDOWN

In early April, one of the very first measures was to get the Princess Grace Hospital in an advanced state of readiness for the anticipated peak of the Covid-19. Other than the available beds for recovery and resuscitation, there were plans for a contingency wing with extra beds, as well as the use of other medical facilities such as the Sports Medicine and the Cardiac-Thoracic Centres. Protective equipment, including 100,000 face masks were rapidly made available.

The Monaco Red Cross stepped in early on with reserves of volunteers and staff. Actions carried out by the MRC, particularly in terms of logistics, included working in coordination with the City Hall to deliver meals to people at home. The organisation also

ran errands for food, medication and other essentials for people in difficult situations.

The setting up of a call centre by the Red Cross was also a very welcome initiative. The centre is managed by the Department of Social Affairs and MRC staff are on standby to answer calls. This service has effectively reduced the workload of Red Cross personnel which may be needed elsewhere. The call centre works alongside the home medical monitoring centre, both of which are well-equipped to manage the current situation.

The Secretary General of the Monaco Red Cross, Frédéric Platini added: « *We can relay to doctor's information about whether a patient needs to be hospitalised or not. We have set up an anonymous helpline which allows people to speak to Red Cross volunteers who are trained in providing support for people in psychological distress. If necessary, we can forward calls to psychologists and professionals.* »

The MRC has also helped the state supply face masks. Some 200,000 were brought to Monaco and distributed to health professionals as well as the general population. This of course makes for additional expenses, but it is more or less made up by the ever-increasing donations.

On this aspect of things, Secretary General Platini said: « *Our regular donors haven't failed to rise to the occasion. Some businesses that were not on our radar before have now also been a great help. We are working with some sporting associations. All the economic players in Monaco are mobilising with us. I can only ask that*

this effort continues and that it moves in this direction because the crisis isn't just a health one; it is economic too. It makes us deal with all social sectors ».

The Monaco Red Cross is now also looking at whatever can be carried out in addition to what it has already put in place, including any possible side missions that the Covid-19 is causing.

THE HUMAN FACTOR

The issue of coronavirus is very close to Princess Charlene of Monaco's heart, after her own husband, the reigning Prince Albert II had to quarantine after contracting the disease in March. The diagnosis which took place nine days after he had attended a WaterAid charity event in London with Prince Charles made him the first known head of state to be infected with the virus. However, the Palace issued a statement saying that the Prince was in good health and that he was being monitored by specialists at the Princess Grace Hospital. He had continued to work from his private apartments and had fully recovered by the beginning of April.

In the meantime, Princess Charlene who is one of the International Automobile Federation's 18 ambassadors for road safety, joined other ambassadors including world famous actors, actresses and sports personalities in a video, urging people to stay at home during the lockdown in order to limit the spread of the virus.

Among the other ambassadors are Formula 1 drivers Fernando Alonso and Felipe Massa, tennis star Rafael Nadal, actor Michael Fassbender and singer Pharrell Williams.



The present and future Centre Hospitalier Princesse Grace



Princesse Charlene visiting mothers and newborns at the Centre Hospitalier Princesse Grace (CHPG)

The FIA's #3500LIVES campaign was created in 2017 and it takes its name from the 3,500 road deaths across the world each year. The official campaign poster reads: 'As #3500LIVES' road safety ambassadors to save lives, we follow the rules on the road and now in our homes. STAY SAFE. STAY HOME. STAY COMMITTED'.

Princess Charlene joined the campaign in 2019 together with Formula 1 racing driver Charles Leclerc who is a native of Monaco and who assisted the Princess in promoting her face mask initiative, as well as racing online to raise funds for the World Health Organization's Covid-19 Response Fund.

And Leclerc's volunteering didn't stop there. He came out into the streets of Monaco...not in his usual 280 Km per hour Formula 1 Ferrari and helmet, but in a Red Cross van and a mask, driving at 30 Km per hour to deliver meals, groceries and other essentials to the elderly and other residents unable to leave their homes. He also assisted the Monaco Red Cross in delivering medical equipment and other items to the Princess Grace Hospital.

Notwithstanding these initiatives, Princess Charlene seems to have expected yet more commitment and so, decided to draw upon all close and distant skills available.

Her own foundation was set up with a mission to promote the benefits of sporting activities; to teach children and adults basic swimming, water safety, first-aid and drowning



Mask distribution to the residents of Monaco

prevention skills, and foster national and international amateur sports competitions.

And she has fully committed the Princess Charlene Foundation to the fight against the current pandemic by, among other initiatives having 5,000 reusable face masks manufactured by SCICON Sports, one of its Italian partners, to be distributed free of charge to the population as well as to businesses and organisations of the Principality.

To this end, Princess Charlene's brother, Gareth Wittstock who is also Secretary General of the foundation took charge of handing them out to Monaco residents starting in mid-April, to limit the spread of the virus. Together with volunteers and other Foundation Ambassadors such as Formula 1 driver Charles Leclerc and world champion free diver Pierre Frolla, he distributed masks at the Condamine market, Fontvieille Shopping Centre and food-related outlets with the blessing of and help from the City Council. They reminded the public that wearing a mask was no substitute for respecting the rules of lockdown and stressed that despite the added protection, social distancing must still be complied with. And even the Mayor of Monaco, Georges Marsan participated, handing out the masks at various points around the city and organising free distributions of masks to the entire population.



The Casino with the "#strongtogether" slogan

The high-quality masks made of a high-performance fabric feature the #strongtogether slogan which has been regularly promoted by both the Princess and HSH Prince Albert II throughout the health crisis.

At first glance, these actions may seem trivial but their effects on the morale of a population in times of crisis can be quite significant. In crisis management throughout the world and over the centuries, public morale has often played an important role in the final outcome of wars, disasters and tragedies of every kind. As has become apparent following the Covid-19 pandemic, not all governments have fully understood the functioning of this important human aspect of crisis management.

LIFTING LOCKDOWN

Thanks largely to the strict measures taken at the outset of the epidemic and the ensuing confinement protocol, Monaco began to slowly reawaken from its lockdown slumber at the beginning of May 2020.

Mid-June saw the end of the screening campaign that had been put in place for the previous four weeks for testing for the Covid-19. Nearly 90,000 people were potentially concerned by the test which was carried out on a voluntary basis and completely free of charge. Nearly 35,000 people were screened, including some 14,000 non-resident workers who travelled to Monaco for the test.

Ludmilla Raconnat Le Goff, Secretary General of the Department of Social Affairs and Health expressed her satisfaction that the process had gone ahead smoothly and had reassured the population: « *It's satisfying to see the numbers who came for the test ; all the more since they all felt great relief afterwards* » she said.

After the final results were compiled, there were just under 3% of positive but asymptomatic cases reported by the medical teams. This result corresponds very closely to the projections made by specialists at the outset of the screening campaign, which also confirms that the virus was largely impeded in its circulation in the Principality.



Prince Albert, his wife Princess Charlene and their two children, Hereditary Prince Jacques and Princess Gabriella, attended the festivities from the Prince's Palace for St John's Day celebrations on June 23, 2020

© Palais Princier Monaco

Ludmilla Raconnat Le Goff added: « *Other than that of reassuring the population, another important objective of the testing campaign was to draw up a map of the serological status of the population in order to assess the situation much more precisely and to allow for active monitoring of patients in case of a fresh outbreak* ».

In spite of the positive results obtained from the screening campaign, the Government wants to go even further. In order to allow those residents and workers who for any reason, did not come to be tested, the Ministry of Social Affairs and Health announced that it was extending the screening for another month, with weekly sessions until mid-August.

With an upsurge of contaminations in certain areas of the world and the possible repercussions in other countries, the Principality remains especially wary.

Didier Gamerdinger, Minister of Social Affairs and Health insists the Principality must not lower its guard on the issue of Covid-19: « *A number of countries such as China, South Korea and Israel have experienced an upsurge in infection rates. Their sanitary structures are solid and they are able to deal with this. But it all goes to show that a resurgence is always possible. Monaco is open to the world and is therefore not immune to an upsurge of the virus. We must be ready* ».

The Principality has initiated the second phase of the release from lockdown, but the crisis has not only had sanitary but also profound economic and social consequences.

Some of these problems had been anticipated by the Government early on, and certain remedies had been advocated.

Looking back at the three months of anguish and uncertainty, Stéphane Valeri, President of the National Council takes stock of the role of the body he presides over: « *To be perfectly frank, I must confess that when the virus began to spread in China, we Europeans were not psychologically prepared for a pandemic that would hit us full force. However, as soon as the first deaths in Italy were confirmed, I realised that our country will have to go on a war footing, with emergency action plans* ».

Stéphane Valeri is quite aware of the extent of the damage inflicted on the national economy and that the prospects of an upturn will depend on international parameters that are as yet unclear.

Many sectors that have been badly hit are the backbone of Monaco's economy, such as tourism, event-driven programming, and hotel and restaurant businesses.

But the President of the National Council is also a realist and optimist: « *And yet, our economic model which is the envy of all and which has proved itself time and again, will allow us to not only overcome this crisis, thanks notably to the Constitutional Reserve Fund (FRC), but also to productive investments by the State. If ever there is a deficit in the budget of the Principality, I would take that as good news...it would mean that the authorities are doing the right thing!* »

The Constitutional Reserve Fund is the financial aid package that has been set aside by the Government to help enterprises and their employees during the crisis. Plans were initially made for this aid to be paid out for three months, until the end of June 2020. But now, a new phase in this action plan has been initiated by the government, with the setting up of a special commission that will oversee the economic recovery.

Jean Castellini, the Minister of Finance and of the Economy elaborated on some aspects of this plan: « *The aim is to continue to provide aid to those enterprises that are particularly vulnerable, but in a more structured and targeted manner. This aid will also take on a more personalised form that will allow for specific advice from expert banking professionals and accountancy firms* ».

MONACO COMES ALIVE AGAIN

June 2, 2020 was an important day for Monaco. It represented the beginning of life as Monegasque and foreign tourists knew it before the onset of the pandemic. The completely redesigned Place du Casino was inaugurated in the presence of HSH Prince Albert II and Princess Charlene, as well as other members of the Princely family and various government officials.

This event was made to coincide with the reopening of the Brasserie of the Café de Paris with its new, enlarged terrace and marked the start of the calendar of the resumption to an almost normal activity for the



The "Carabiniers" of the Prince at the Monaco Palace

Société des Bains de Mer's (SBM) establishments.

Jean-Luc Biamonti, the Deputy President of the SBM first paid tribute to medical staff and health workers who were involved on the front line in the management of the Covid-19 crisis and also praised the government for its actions: « The Government of Monaco has managed the situation particularly well, and as a result, the Principality has been much less affected than its two larger neighbours. We are feeling more than proud; it is with great relief that we are gradually re-opening our establishments. We worked very hard for this ».

Probably the most iconic venue in Monaco, the Casino de Monte Carlo is now up and running. Together with the Casino Café de Paris, they began welcoming players back starting June 5.

As health and safety remain the top priorities, clients are required to lower their masks for a security check at the entrance and they will then follow a specially designed route through the gaming rooms, tables and slot machines. To ensure adequate social distancing, the number of players allowed inside is limited. Chips, plaques, dice, slot machines and gaming tables are disinfected at regular intervals.

Another event indicating a return to normality was the first traditional Changing of the Guard since the beginning of lockdown, at the Princely Palace. The ceremony, which is very popular with locals and tourists alike, takes place every day at 11:55 am and for the occasion, HSH Prince Albert assisted from a window of the Palace. But visitors can once again attend the ceremony on condition of wearing a face mask and respecting the compulsory social distancing rules.

If the efficiency of the Monaco government's contingency plans of the past three months, together with the net results in terms of infection rates, hospitalisations and economic revival are anything to go by, then one of the most exclusive destinations in the world has also turned out one of the safest.



Trajan Dereville



THE SINS OF THE FATHERS

Austrian professor says Daesh child should not be punished for parents' terrorism

"No child in the world is responsible for who his parents are or under which circumstances he had his birth," Professor Stefan Schennach told me. It is clearly a very firmly held conviction. We were talking about his report, which was overwhelmingly approved by the Parliamentary Assembly of the Council of Europe in January, 2020. It concerned international obligations regarding the repatriation of children from war and conflict zones, covered by Article 8 of the European Convention on Human Rights, which states that "Everyone has the right to respect for his private and family life, his home and his correspondence".

The simple fact of childhood innocence and a lack of responsibility for the misbehaviour of the child's parents, one might imagine, are surely incontrovertible. But you'd be surprised. Or perhaps you wouldn't. The English poet, William Wordsworth wrote "The child is father to the man", but only to mean that childhood impressions lead on into adulthood and remain; in his case, he was talking about his childhood delight in rainbows, which had lasted into his mature years. But being the child of jihadi parents doesn't mean he or she will

grow up into either a lover of rainbows or a terrorist. Professor Schennach is very sure that, as the Roman satirist Juvenal put it, "a child is owed the greatest respect." Schennach sits in Austria's Upper House, the Federal Council, and admits on his own website that he has a number of goals: "I want to change Europe towards social union, to participate in shaping European politics in the sense of co-determination and solidarity and sustainable development, and to enforce democracy, the rule of law and human rights in Europe. Neoliberalism and social

coldness in Europe must be pushed back and the struggle for youth employment made a top priority."

Professor Schennach admits that, even within the hallowed walls of the Council of Europe Parliamentary Assembly, where human rights are held in unusually high regard, people shudder at the mention of Daesh (or IS or ISIS). "This urgent debate was necessary because every day, in the different refugee and detention camps, one or two children are dying," he told me. It's hardly surprising. At the end of May,



Children in the The Al Hol camp in Syria



UNICEF distributing clothes in the AL Hol Camp in Syria

some four thousand children were existing in fetid, filthy and disease-ridden camps in northeast Syria, without adequate food, clean water, medical care or education and suffering from disease, malnourishment, sexual abuse and endemic violence. Most of them are the children of the women who went to Syria as 'jihadi brides', many, perhaps most of them, European. Parts of the sprawling camps are effectively run by extremely radicalized women, the widows of hardened Daesh fighters from all over the world, who try to instill in the youngsters a hatred of all things western and also an urge to take up arms against countries that don't adhere to their severe, puritanical version of Salafi Islam. If western countries are afraid of inviting committed jihadists within their borders by accepting back the fighters' children, they're going a funny way about it, allowing the children's continued and intense radicalization. Islamic State ideology still thrives in the camps. "One thing is very clear," says Schennach, "most of these children have European parents. Young girls, who went there the age of 15 or 16, have ended up there. We don't know why. We don't know what was happening in the social lives, how modern it was, and not all were Islamic, by the way. And then they got babies, sometimes from different men because they were married to one man and if one fighter died they got automatically a new man. I think it was not the selection of the ladies, and now we have this situation."

THE CAMPSIGHT FROM HELL

And the situation is truly awful. "Let's have a look in one of the camps," Schennach urged. "One of the famous camps is Al-Hol. Al-Hol is a camp in northern Syria, protected by Kurds. In this Al-Hol camp at the end of 2019, there were 72,000 residents, and 55% of the 72,000 are below the age of twelve, and of those

55%, 7,000 of them were clearly European citizens." The issue made headlines in Britain when the Home Secretary at the time, Sajid Javid, refused to readmit Shamima Begum, one of three teenage girls who, in 2015, ran away from home in London's Bethnal Green to marry jihadists. The issue arose when the war was over, ISIS defeated and Begum was nursing a newborn baby, not her first; her two children born earlier both died. Javid refused to admit either and the latest child died shortly afterwards. Legally, not all the children born to parents who are from a European country hold the right to citizenship. If that parent was stripped of citizenship before the child was born, or if the parent had been born elsewhere and was a naturalized citizen of that country, rather than holding citizenship by right of birth, then there is no legal entitlement to live in that country. But as long as western governments shirk their responsibilities towards the children, things can only get worse.

"In this situation, in the last three months," Schennach says, "some countries took decisions, and I would like to highlight three countries that took back a lot. The first is Kosovo. Kosovo took 110 individuals. The second is Russia. Russia took over 122 children. And the third is

Kazakhstan. Kazakhstan took over 534, nationals of Kazakhstan but the main group were kids." Schennach smiles wryly as he says "Now let's go to the western European states." He laughed, but it was a bitter laugh. "Belgium six, but only after a Belgian court said they had to do it. But that's six out of one hundred, about one hundred. France decided case by case, and they had a lot. But by the end of December they had taken seventy." More recently, France has accepted a further ten children who were staying in refugee camps controlled by Kurdish forces. The French Foreign Ministry said they had been handed over to judicial authorities in France to be cared for by social services, although their precise locations remain secret. It is believed that they were especially young children, who were considered vulnerable, including three orphans and seven children of two mothers who had agreed to give them up. It's thought this still leaves some 270 children of French Daesh fighters stranded in the Syrian camps. We must recall, of course, that Islamic extremists have killed more than 250 people in various attacks, such as the attacks on the Bataclan Theatre and the murders of staff at the satirical magazine, Charlie Hebdo. Meanwhile, says Schennach, other countries with less reason to hate jihadists, were more accommodating. "Bosnia and Herzegovina took 24 women and kids," said Schennach. "Now Germany; we have over one hundred kids who are German.

Germany only took four. Sweden: seven orphans. It was very clear those kids were orphans and they took seven. Austria - my country - and the Netherlands: each country took two. In both of those countries, grandparents asked for the children, their grandchildren. Denmark: one, but there are more than thirty Danish kids there." It's a dispiriting tale and Schennach doesn't seem very hopeful. "We can only appeal to humanity and follow the Convention through all our



The Kouachi brothers during the shooting at the Charlie Hebdo office in Paris



© UNHCR/Hisham Asafat

Syrian families wait to receive shelter and relief items at the Al Hol camp in Hassakeh.

member states.” As a point of interest, the United States also claims to have brought home some 15 children, according to the US State Department, although they won’t say how many remain.

Western countries are wary because the adults are suspected of being involved in some of the fighting and possibly in atrocities like torture and beheadings, but there is insufficient judicial evidence to bring them to trial, so they stay in the limbo of the camps, a drain on the Kurdish forces and unwanted by the home countries they denounced and where their presence would be seen as potentially dangerous. It is highly probable that most of them have not foresworn their allegiance to the caliphate that no longer exists, if it ever did. So if they cannot be put on trial for lack of evidence, neither can they be detained in prison in their original home country. No-one seems to have any sensible ideas as to what to do with them. But the most important thing, says Schennach and several NGOs, is to get the children out. Last year at the Al-Hol camp, which is horribly overcrowded and holding many times the number of refugees for which it was set up, 371 children died, according to officials from the Kurdish Red Crescent. Western governments, however, continue to sit on their hands, partly because it would be extremely difficult, and in some cases impossible, to confirm the children’s parentage. Furthermore, the camps are dangerous places for diplomats who are also concerned about separating the children from their mothers. The total number of children of western parents still living in the camps is thought to be around 900 but may be more. “This is urgent,” Schennach said. “Now we have the Covid time and I’m sure that in the Covid time people were dying and nothing was going on to save the situation. The NGO Save the Children agrees. “A COVID-19 crisis in Al Hol would be a children’s

crisis. Children in the camp, many with already weakened immune systems or underlying health conditions as a result of living in desperate conditions during their formative years, may struggle to cope with this deadly virus. Suitable health services aren’t in place to adequately respond to children and their families. 43 thousand children continue to need education, child protection, and psychosocial support and we cannot fail to adapt quickly in response to the necessary control measures.”

OURS, THEIRS, NOBODY’S

Schennach’s report began by saying that “The Parliamentary Assembly is appalled by the dire situation of children in Syria and Iraq whose parents, believed to be affiliated with Daesh, are citizens of Council of Europe member States. Most of these children are below the age of 12, stranded in squalid camps and detention centres and lack food, shelter from the elements, access to clean water, medical services and education.” So why won’t western countries allow these children, innocent of any crime and not facing any criminal charges, to return to the countries their parents left to fight for ISIS? One argument is that it might strengthen any surviving parents’ own rights to apply to return in order - in theory, at least - to reunite their family. Children have a right to access to their mothers under United Nations conventions. Others say that, because one or both parents chose to abandon their country of birth or of adoption to fight for an enemy cause, hostile to Western European values, their children forfeit their rights to retain their nationality, too. But that cannot be legal, however fervently argued.

Under the 1954 UN Convention on Statelessness the legal definition of a stateless person is clear: someone who is “not recognised as a national by any state

under the operation of its law”. However, that person has the right to many things, including education, employment and housing, along with the right to identity, travel documents and administrative assistance. The 1961 UN Convention goes further by aiming to reduce statelessness by establishing an international framework to ensure the right of every person to a nationality. According to the UNHCR, “It requires that states establish safeguards in their nationality laws to prevent statelessness at birth and later in life.” It also establishes that children must acquire the nationality of the country in which they are born if they do not acquire any other nationality. I’m not sure how that could work in war-torn Syria, in territory controlled by Kurds and invaded by Turkish forces, when the parents would probably argue that they were born in the now-extinct Caliphate, or the Islamic State of Iraq and al-Sham [Syria], to give it its formal name.



© UNICEF/Soulaïman

Displaced children and adults fleeing The Islamic State of Iraq and the Levant controlled areas in Syria

It was supposedly ruled by a caliph - a Khalifa, or deputy to Mohammad who rules according to the Qur’an. It was a state that never really existed and now is no more and is certainly not a great place in which to claim nationality. However, if they can put up with a country ruled by Bashar Al-Assad, then there is another option: Syrian nationality law contains a safeguard against statelessness at birth whereby a foundling (an abandoned infant), a child born in Syria to stateless parents, or a child born in Syria who does not acquire another nationality should be considered Syrian under Articles 3(C) and 3(D) of Legislative Decree 276. However, these safeguards against statelessness at birth are not systematically implemented.

It’s all a total mess, with the countries supposedly most committed to upholding

human rights and the rights of the child apparently washing their hands of the whole business in the hope that it will somehow disappear while knowing that it won't. And there's another point about Syrian law that should be applied here: Syrian nationality law allows a citizen to renounce their Syrian nationality voluntarily, but only following acquisition of a different nationality. Where does that leave supposedly stateless children and their mothers? That's the question nobody in government is answering, although Schennach has some firm ideas. "It is very clear that those kids are citizens of our countries, but there is also the Convention that the child has the rights to his parents." Especially, he stresses, the children have a right to their mothers. "If you don't do it by humanitarian or legal means, then think that all the kids growing up in that atmosphere will be abused in a different way. And if you are thinking of fighting against terrorism, then you have to do it, because it's a hopeless situation, because those children have no education, no peaceful surroundings, and there are no families which help the child to grow up." The future prospects of these children are bleak. "In the end, and we see this in Gaza and other places, young kids are growing into radicalism."

The report reminded members of the Parliamentary Assembly that the obligations are not optional. It states that "The Assembly underlines that these children are neither responsible for the actions of their parents nor for the circumstances in which they find themselves. In addition, as stipulated by the United Nations Convention on the Rights of the Child (UNCRC), the Assembly underlines that children are rights holders in their own capacity and hence their rights cannot be undermined by the actions of their parents."



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Daesh indoctrinated children



IS propaganda depicting soon-to-be martyr pictured during his last moment before a suicide operation

He made the point when he proposed his resolution to the Assembly in January, 2020: "For whatever reason, young women from Europe, for example, have set out to marry in the territory of the so-called IS and have children. These children are not guilty and many of these mothers come from almost all our member states. Therefore, the member states also have a responsibility towards children who actually have a mother from one of our member states."

After massive support in the Committee on Social Affairs, Health and Sustainable Development, Schennach won overwhelming support in the Assembly itself. He pointed out that "In Camp al-Hol, which is currently under Kurdish control, together with the democratic forces of Syria, there are more than 60,000 people, half of whom are under the age of 12. We have to get these children out, we have to integrate them, we have to protect them and we have to hope that there is a possibility here too; as was the case with two Austrian children, for example, where the grandparents said, 'we want our grandchildren back'. In the case of Germany, too, I followed this very closely when a farmer wanted his daughter's children back and fought for them."

UNWELCOME HOME

Governments have to be mindful of public opinion if they ever want to be re-elected, and the public have little sympathy with Daesh, following the well-evidenced reports of torture and brutality. "All of this needs to be investigated and, if young people have been involved in criminal activities, they have the right to a fair and due process of law, including under a country's juvenile justice code." Surviving witnesses from what they called the caliphate are thin on the ground,

which would make any sort of trial very difficult to hold. Schennach is dismissive of any fears of upsetting citizens who are understandably concerned about what Daesh did. "To follow the convention, to follow what is right, is nothing to do with public support. These are citizens of your country and you have to do something." Even so, public feelings and apprehensions cannot be entirely ignored, and nor were they in the debate on the Schennach Report. Dunja Mijatović, Council of Europe Commissioner for Human Rights, accepted the concern over admitting those with ISIS connections. "I also know that the return of these European citizens to their home countries sparks fear and raises legitimate security concerns," she told the Assembly. "This is something that we should accept and also be aware of. But children stranded in the camps of Northern Syria are not responsible for their parents' decision to join these groups. Letting the children of suspected ISIS fighters die there will not heal the wounded souls of the victims of terrorism, nor will it bring more security in Europe or anywhere else." Ms. Mijatović made it clear that she is no stranger to the issue, which is a matter of grave concern to her. "In the last eight months I have discussed this delicate issue with a wide range of interlocutors: legal experts, children's ombudsmen, civil society representatives, security and intelligence people. These discussions have reinforced my deep conviction that repatriating these children is the only way forward. Clearly this is from a human rights perspective, which is the part I'm mandated to bring to your attention. But interestingly, many in the intelligence and security community also support it, repatriation, to better exercise any necessary control or implement disengagement or rehabilitation measures."

Needless to say, not everyone agreed. Martin Hebrner from Germany argued that the report would prove a ‘Trojan horse’ for terrorists. “Please bear this in mind: with this the children will become nothing more than a return ticket for murderers. This is unacceptable.” For him, the children must stay where they are; he also disputes that all those under the age of 18 can be counted as children. “The penultimate chapter says something about risks. At first, I thought there were some risks involved: what about our families and children? Nothing. To them, they are not even worth a thought. There is no consideration whatsoever for them, no consideration at all for our citizens, and that is why this motion is so completely out of the question.” Markus Wiechel of Sweden agreed, although he acknowledged why the Assembly was displaying sympathy for the stranded children. “However, we must also be aware of the major consequences and risks involved in resettling children of terrorists in this way. We must look carefully for alternative solutions. The reason is that many of these children are brainwashed by their parents and the Islamic State. In some cases, they have been trained to execute other human beings.” He cited examples of murders carried out by 4-year-olds to support his case. But it was a minority view: the report was adopted by 80 votes to 10, with 10 abstentions. Just before the vote, Schennach spoke of his appreciation for the debate itself, on the final day of the January 2020 Parliamentary Assembly session, which was also to be the last for some time in view of the coronavirus pandemic. “I would like to thank the Social Committee, which unanimously adopted this resolution, and no amendment was tabled before the deadline. In this respect, I am somewhat saddened by a few dark

speeches here; especially in the House of Human Rights, but I did say at the beginning of the debate: let us try and get away from the issue of parents and see only the best interests of the child.” Schennach was especially appreciative of a speech by Spanish member Jokin Bildarratz, who had pointed out that leaving the children in their present circumstances could have both medium- and long-term consequences. “We can’t continue to say that they should be kept well away from our countries. Whenever it comes to human rights, we simply can’t do that. We’ll be talking about the United Nations Convention on the Rights of the Child Article 22. We need to talk about the situation which prevails in so many of these camps where thousands and thousands of children are dying because of the indirect consequences of war: the lack of food, malnutrition, lack of health care, lack of sanitation. The supreme interests of these children should be the overriding concern for all of us. The consequences for these children are enormous in both the short- and the long-term. And we should not forget that.”

When I interviewed Professor Schennach, he explained why his report was so urgent. “Every day,” he said, “one or two kids died. Died by anaemia, died by diarrhoea, or by (alimentary or respiratory) tract infection. There is no support there and the idea of this resolution that I made was to save children’s lives, and to ask, to oblige the Member States of the Council of Europe to take over their responsibilities for those kids.” The resolution itself also reminded the Assembly that the Member States have ratified the UNCRC and have thus “undertaken to protect all children and to take all possible steps in practice to ensure that children affected by armed

conflict benefit from protection and care. The United Nations, its Security Council and its agencies have all reiterated that children whose parents are believed to have been affiliated with Daesh should be considered victims first and foremost.” Of course, it’s impossible to predict how these children will view their mothers and fathers in the years to come. It’s worth remembering what the Irish playwright Oscar Wilde wrote in ‘A Woman of No Importance’ (1893): “Children begin by loving their parents; after a time they judge them; rarely, if ever, do they forgive them.” Wilde, though, was seldom serious.

We should, perhaps, remind ourselves of how this whole sorry situation came about. In 2014, Islamic State (IS), as it called itself, seized a territory roughly the same size as Great Britain, which spanned the Syria-Iraq border and declared it an Islamic caliphate. Tens of thousands converged on it from around the world, some to fight, some to care for the fighters. Many from western countries took children with them or gave birth once they arrived, until an alliance of American and Kurdish soldiers defeated the jihadis, dismantling their new ‘state’. The men were locked up in makeshift prisons where, for the most part, they remain. The women and children were herded into camps designed - if that’s the right word, given their rough and uncivilised state - for a far smaller number of detainees. Women regularly escape, nobody seems to know where to, and some have brought mobile phones and weapons back to the camps, making them into breeding grounds for radical thought, as well as unlikely sources of the spread of radical jihad.

On the 18th anniversary of the 9-11 attacks on the World Trade Centre in New York, a group of US security experts warned in an open letter that life in the Syrian camps “fuels the Salafi-jihadist narrative of grievance and revenge that has proven so potent in recruiting followers.” The New York Times recently cited the case of 7-year-old Taymia (surname withheld), who was repatriated to France in the midst of the Covid-19 pandemic, because she has a double heart defect. She had grown weak and emaciated and after her mother contacted relatives in France, her case was taken up by human rights lawyers. By the time the French government sent a medical jet to bring her back for treatment in Paris, she was struggling to breathe and her hands and feet had swollen. There is no prospect of her siblings being allowed to join her and her father and brother were killed, the boy having been shown in an ISIS propaganda video murdering a prisoner. Taymia’s mother told the



Children enroled in the Daesh army

New York Times that she doesn't want her remaining children - or anyone else's children - to grow up in the camps. "The kids are going to be worse than their fathers," she said. Human rights groups agree, arguing that leaving children in Syria threatens their mental and physical health and their indoctrination with Islamic State ideology, which is widely followed in the camps, possibly creating a new generation of violent jihadists.

There's another reason why children should not be left in the camps: Covid-19. "The number of confirmed cases in Iraq," says the UN Refugee Agency, the UNHCR, "doubled over the period of a week in early June, and since is averaging at around 1,100 new positive cases per day." It's harder to be certain of anything in those parts of Syria playing unwilling host to the remaining relatives and supporters of Daesh. At the end of May and in response to the coronavirus, the Syrian cabinet announced that all public sector bodies would resume services as of 1 June, with "full adherence to Covid-19 prevention measures". Nobody expects this to include Idlib, the last rebel stronghold, nor the refugee camps, which are under the over-stretched care of the Kurdish forces. They, certainly, want the children (and preferably their parents and other adult relatives) to go somewhere else. They are just too numerous for the Kurds to cope with and their many needs are well beyond the capacity of the Kurdish forces to supply. According to the ReliefWeb website, "the population of Al Hol surged from around 10,000 at the start of 2019 to more than 73,000 people by May 2019 - a 680% increase. Severe



Sabra is seven years old, she lives in Sana, Yemen. She is learning the correct way to wash her hands and how to prevent the spread of the coronavirus.



A young girl holds a smiling infant at the Zaatari Refugee Camp, located near Mafraq, Jordan.

overcrowding in the camp - and notably in the Annex where families of foreign nationalities with real or perceived ties to ISIS live - would make social distancing or self-isolation practically impossible in the event of a coronavirus outbreak."

Will the children be allowed home? Most are still surviving - just about - in the camps, but Schennach hasn't given up altogether; I suspect he never will, however hard it is to persuade governments and their people that it's the right thing to do. "Switch off in your brain that there is a relation to IS or Daesh," he said to me, "because no child in the world, not one child in the world, is responsible for their parents, and what their parents are doing, and not one child is responsible for the surroundings in which they are born. So we have to see only the child, and if you are not willing to follow me over how important it is to save the child, so you can come from another perspective. All that we are doing to reintegrate those children is also a counter-terrorism action, because when children grow up in such an atmosphere: abused, not educated, together with criminal persons, then we are looking at the next

generation (of terrorists) on the ground, and that we should stop." Schennach is determined to save the children of the jihadis in time to turn them away from the doctrines of their parents. "It's not only the physical," he said, "what they need is psychological help. What they need is social integration. This is not so easy, I know; we have seen this with children from Syria that we have in Austria. For that you must take much more money in your hand for the social and psychological integration, and also to help overcome the trauma they have had." But there is always hope to be found somewhere, although it's hard to find where. Some four million Syrians fled their homeland and still live in neighbouring countries. The fight to retake all the territory is still being waged by Bashar Al-Assad and his Russian and Iranian allies. The most hopeful sign, perhaps, is that Schennach's report was so overwhelmingly adopted by the Parliamentary Assembly. Its members - or most of them, at least - are on the children's side. That must mean something.

JG



The Islamic State (IS) known as Daesh has set up in the Jawzjan province of Afghanistan, an army of twelve 9 to 10 year-old children to carry out suicide attacks.



Russian Minister of Defence , Sergey Shoigu, President Vladimir Putin and President Bashar al Assad during in the command post of Russian armed forces in Syria

UNLAWFUL ATTACKS AND MASS DISPLACEMENT IN SYRIA

The European Council extends until June 2021, the sanctions against President Assad, top politicians, military chiefs and business leaders over the regime's continued crackdown on civilians.

In a recently published 40-page report, Amnesty International says that Syrian government forces, together with their Russian allies have committed a number of humanitarian violations that can be construed as “war crimes”.

The report entitled “Nowhere is safe for us” provides detailed descriptions of how the Syrian army and their Russian allies, together with other forces loyal to President Bashar al-Assad carried out what it describes as “a new wave of horrors” against civilians, from December 2019 through March 2020 in northwestern Syria, largely held by opposition-led forces.

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to President Bashar al-Assad carried out what it describes as “a new wave of horrors” against civilians, from December 2019 through March 2020 in northwestern Syria, largely held by opposition-led forces.

In a renewed push to capture the last areas controlled by armed opposition groups, the Syrian government, backed by its main ally Russia, has carried out a

wave of attacks causing not only civilian deaths and injuries and wide-scale damage to civilian infrastructure, but also unprecedented mass displacement.

Based on interviews, satellite imagery, aircraft observation logs and intercepted aircraft radio communications, Amnesty International has documented unlawful attacks on hospitals and schools in Idlib and western Aleppo governorates by

Syrian and Russian government forces, as well as the resulting humanitarian crisis.

This has been described by the UN as the worst since the conflict started nine years ago.

A wide range of testimonies illustrate the horrors civilians experienced as they fled to poorly equipped displacement camps with limited access to food, water, medicine and other essentials.

Amnesty points out that civilians in north-west Syria are at further risk if a crucial UN mechanism to deliver humanitarian relief from across the border with Turkey is not renewed.

It further adds that the UN Security Council must ensure this mechanism remains intact and that all parties to the conflict must end unlawful attacks and ensure unimpeded access to impartial humanitarian relief.

NOWHERE IS SAFE

Regarding the actions of Syrian and Russian government forces, the allegations from the international human rights group are very strong. It describes how, in an all-too-familiar pattern, attacks from the air and the ground repeatedly struck residential areas and crucial infrastructure.

One of the allegations is that hospitals and medical facilities, especially in the north of the country were targeted deliberately by Syrian and Russian forces as part of a military policy ; a policy to move people out of these areas, the idea being that if there is no support, no infrastructure, no electricity, no water and no medical help at all, then people will go on the move. And to an extent, that has happened; it has been strongly condemned by the international community.

Amnesty International said it had documented 18 attacks on schools and medical facilities in Idlib, northwestern Hama and western Aleppo provinces, mostly via air strikes carried out by Syrian and Russian fighter planes between May 2019 and February 2020.

Internationally banned cluster bombs and barrel bombs were used in some of these attacks targeting civilians. Of those 18 instances, Amnesty says the Syrian army carried out three ground attacks and two-barrel bomb attacks. The remaining 13 attacks were air strikes: two by Syrian aircraft, seven by Russian air force fighters, and four by Syrian or Russian government forces.

A doctor who survived one of the documented attacks described how the



Wounded child and civilian after an airstrike

strikes flattened at least two residential buildings near the hospital, killing 11 civilians including one of his colleagues, and injuring more than 30 others: *"I felt so helpless. My friend and colleague dying, children and women screaming outside... We were all paralysed... It took the civil defence two days to remove the bodies from underneath the rubble"*.

Based on statements by witnesses and other credible information corroborating the various accounts, particularly observations by aircraft spotters, Amnesty International concluded this unlawful attack was carried out by the Russian air force.

On 25 February 2020, there was an attack on a school in Idlib. A teacher who witnessed the attack described how a cluster munition explosion injured her and killed a student before her eyes: *"A bomblet exploded close to my feet, blowing the flesh off... The pain was unbearable... Two students were walking in front of me. One died instantly and the other one, miraculously survived...I know the sound of a cluster munition attack very well. You hear a series of small explosions. As if the sky were raining shrapnel instead of water"*.

There were three fatalities and five serious injuries following this attack. Amnesty International identified the remnant of the explosive device as a surface-fired, 220mm 9M27K cargo rocket, manufactured in Russia and transferred to the Syrian army which used it on that occasion. It contained 9N210 or 9N235 cluster munitions, which are prohibited under international law.

In Idlib province and governorates in western Syria, a barrage of attacks has emptied out entire villages and communities under the control of opposition groups. With nowhere left to go, civilians flooded already overstretched refugee camps and many sought shelter in

tents and schools. Others ended up in the open, in freezing conditions. The resulting displacement and humanitarian emergency were unprecedented.

According to UN estimates, 960,000 people were forced to leave their homes in order to flee bombardments between 1 December 2019 and 29 February 2020; entire areas have been left depopulated. More than 80% of those displaced are women and children; many of the remaining men are older persons, persons with disabilities and members of other at-risk groups.

Amnesty says that this mass displacement is the direct result of unlawful practices by



A mother holds her two children in the destroyed city of Aleppo in Syria

Syrian and Russian government forces, namely indiscriminate attacks on civilian populations with the express aim of terrorising them.

Based on its investigations, Amnesty said such attacks were not directed at any specific military objective and violated international prohibitions of direct attack of civilians. *"These violations amount to war crimes", Amnesty concluded.*

ADDED THREAT FROM A NEW ENEMY

The nine years of conflict have practically wiped out Syria's infrastructure and social services, including for health care. This has resulted in massive humanitarian needs and has left the population, including an estimated six million internally displaced people (IDPs) vulnerable to a large scale Covid-19 outbreak.

There are also an estimated 130,000 detainees in regime prisons, and tens of thousands of suspected Islamic State (IS) fighters and their families detained by the Kurdish-dominated Syrian Democratic Forces (SDF) in camps and detention facilities. Most of these vulnerable groups live in cramped conditions that do not allow for social distancing, they lack access to health services, suffer from catastrophic hygienic conditions, and often do not even have access to clean water. A spread of the virus among IDPs, prisoners, and detainees would be next to impossible to contain and lead to large numbers of fatalities.

According to the World Health Organisation, less than two thirds of the country's hospitals were functioning in late 2019, and 70% of health workers have fled the country. There is particular concern about the virus spreading in the north-west Idlib province where up to a million people live in overcrowded camps. It's a perfect breeding ground for the virus and not the only one.

Nima Saeed Abid, the WHO Representative in Syria says: *"As the WHO, we consider Syria as a very high-risk country, especially when we consider that we have vulnerable populations, refugee camps and slum areas on the outskirts of large urban centres. All these constitute a high risk for the spread of the corona virus".*

The Syrian Civil Defence, better known

as the White Helmets have long been providing emergency health care to war victims in Syria's opposition strongholds. These days, they are trying to save lives by sterilising surfaces in schools and hospitals. In Idlib province, checkpoints have been erected where the White Helmets are taking the temperatures of people who are traveling through. But if developments in other countries are anything to go by, it won't stop the corona virus from spreading amongst Syria's most vulnerable. In early March 2020, there were an estimated 325 intensive care units with ventilators available throughout the country. These were distributed very unevenly, with some two-thirds in Damascus and the provinces of Latakia and Tartous, i.e. the regime heartlands, and none in Deir ez-Zor. Even those hospitals and clinics that are operational lack equipment, trained personnel, and medicine.

But what is also very worrying is that research by Amnesty International shows that humanitarian workers in general, in northwest Syria are not only being hampered by the coronavirus pandemic but are also seeing severe restrictions imposed by the largest group of rebels controlling the area, the Hay'at Tahrir al-Sham, which has been designated a terrorist group by the U.N. Security Council.

Damascus, together with other rebel authorities have also placed restrictions on mobility to contain the pandemic, not to mention the closure of two border crossings at al-Yarubiya on the border with Iraq, and al-Ramtha on the border with Jordan, both formerly used for international cross-border aid to circumvent Damascus.

The problem has also been exacerbated by the fact that international bodies such as the WHO must rely on Damascus as



The Amnesty International 40-page report

their main counterpart in addressing the Covid-19 challenge, thus avoiding dealing with the rebel authorities controlling the north-west and north-east of the country.

THE EU RESPONSE TO THE CRISIS

The war in Syria, now in its 10th year is one of the worst humanitarian crises the world has faced since World War II. It continues to have devastating and tragic consequences for its people. It is also having an increasingly destabilising impact on the wider region, through the displacement of people, the exacerbation of political and sectarian differences and the spread of terrorism.

Some 80% of the Syrian population live below the poverty line, making less than \$100 a month. The country is going through a deep economic crisis and its currency has spiraled downward, sending prices of basic commodities soaring. Economic activity has been badly hit by restrictions imposed to combat the coronavirus.

On 19 May 2020, a joint statement by Germany and Belgium who currently serve as co-penholders at the United Nations was released during the Security Council's video teleconferencing (VTC) meeting on Syria. The statement conveys full support of the necessity of a nationwide ceasefire proposed by the Secretary General as well as by UN Special Envoy to Syria, Geir Pedersen. It also welcomes the relative calm in the north west of the country where a very fragile ceasefire has been holding.

But of deep concern is the drastically deteriorated humanitarian situation of the 4 million civilians in this region and the removal of al-Yarubiyah as an authorised border crossing



One of six mobile clinics provided by WHO to deliver health services to people fleeing violence in Aleppo, Syria



Syrian opposition fighters



© Wikimedia

Geir Pedersen, UN Special Envoy to Syria

for UN cross-border operations. This has severely impeded the ability to deliver medical equipment and aid to many parts of the region.

It is a recognised fact that the cross-border modality which began in 2014, pursuant to Resolution 2165, constitutes the only aid-channel for people in need in this region. The joint statement concluded that in the north-west of the country, cross-border authorization for the use of Bab al Salaam and Bab Al Hawa must be renewed for an additional 12 months, and in the north-east, a combination of more cross-border and cross-line access is required to sustain recent levels of, and preferably increase, humanitarian assistance.

The statement ends by encouraging all Council Members to cooperate over the next weeks in order to renew the mandate for cross-border operations, sooner rather than later.

It stresses that Germany and Belgium as co-penholders of the humanitarian resolution on Syria are ready to facilitate the process in an inclusive and transparent manner.

On 28 May 2020, the European Council announced that sanctions against President Assad, top politicians, military chiefs and business leaders over the regime's continued crackdown on civilians were to be extended until June 2021. EU foreign policy chief, Josep Borrell said: *"The Syrian people have had to draw on extraordinary reserves of resilience,"* and he added: *"the bloc remains committed to use every tool at its disposal to push for a political solution to the conflict that would benefit all Syrians and put an end to the ongoing repression"*.

In fact, the EU first imposed its sanctions in May 2011 in the wake of the so called Arab Spring and after protests calling for President Assad's removal were violently suppressed by police and the military. These sanctions include travel bans, asset freezes and measures targeting operations such as oil imports, certain investments, and the trade in equipment that could be used for any crackdown on civilians.

There are presently 273 people on the list, including Assad's family members, close associates and top military officers, as well as some 70 "entities" such as various organisations, corporations and companies. According to the EU, the measures are designed to avoid hindering the delivery of humanitarian aid without targeting food, medicines or medical equipment.

CONCLUSION

The evidence examined in Amnesty International's report shows that Syrian and Russian government forces deliberately targeted medical facilities and schools, and terrorised civilian populations with the aim of recapturing territory held by armed opposition groups. These acts amount to war crimes.

Its latest offensive on Idlib and western Aleppo governorates has been carried out with utter disregard for civilian lives and fundamental rules of international humanitarian law, which has been the hallmark of the Syrian government's military strategy throughout. This has resulted in new levels of displacement and civilian misery.

Amnesty International ends its damning report on these unlawful military strikes, by issuing a number of recommendations to the Syrian and Russian governments, as well as all other parties involved in the conflict.

Interestingly, other than a list of appropriate preventative actions aimed at the Russian government, Amnesty also calls on it to, among other measures, ensure the Syrian government respects its own obligations under international humanitarian and human rights law and to pressure it to provide unhindered humanitarian access to UN agencies to deliver food, fuel, medicines and medical supplies to civilians in need across Syria.

Russia has always stressed that it is neither Syria's master nor its ally, but its friend and partner. And President Putin has long ago provided the explanation for Russia's intervention in Syria.

It is quite simple and apparently, straightforward: Russia is involved in the Syrian conflict with the sole aim of defeating ISIS, Al Qaeda and other Islamist terrorists financed by Gulf monarchies and to prevent the uncontrolled flow of refugees to Europe.

Be that as it may, as this conflict appears to be reaching its twilight and new confrontations and skirmishes are already destabilising this ravaged region, Russia seems to believe it holds the key to pacifying Syria, but only on its terms.

Hossein Sadre



Syrian President, Bashar al-Assad

SPACE SYNERGIES TO DRIVE ECONOMIC GROWTH AND JOB CREATION

By reinforcing synergies with other space technologies and working with all the Member States, while creating a favourable ecosystem, the impact of the space sector on economic growth in Europe will expand and create more jobs, according to European GNSS Agency (GSA) Acting Executive Director Pascal Claudel.

The 2nd Earth Observation Summit was held online on 2-3 June, providing an opportunity to underline how the different components of the EU Space programme are creating value by building applications together.

“The space sector is of strategic importance to the Union. In the last decade, space related sectors grew twice as fast as the global economy. Europe has historically been on the forefront, investing greatly in space infrastructure such as Copernicus, Galileo and EGNOS. We are proud of these successful investments which are now the foundations and enablers for new applications and businesses. Indeed, space has a multiplier effect in terms of investment and the EU is well placed to capitalize on its strong space industry since more than 10% of the overall EU economy depends on space related services.

Relevant technologies generate opportunities for job creation based on new skills, skills of the future,” said Ms Blaženka Divjak, Croatian Minister of Science and Education during her opening of the Summit.

Underlining this need for economic development based on innovative approaches, Timo Pesonen, Director General of the European Commission’s Directorate-General for Defence Industry and Space (DG DEFIS), confirmed: “New products, new satellite missions and new technology, especially digital, like Artificial Intelligence,



The headquarters of the European Global Navigation Satellite Systems Agency in Prague

Quantum technology, and high-performance computing are essential, to keep our industry competitive.”

Pascal Claudel, GSA Acting Executive Director, said that synergies between all the EU's Space Programmes are key to increasing the space sector's presence with EU-ready market products in all market segments. “This will contribute to the growth of our SMEs and start-ups through innovative solutions,” he said.

SPACE FOR A TWIN TRANSITION TO A GREEN AND DIGITAL EUROPE

Timo Pesonen also cited the European Green Deal as a prime example of a political answer to global challenges. “An ambitious space programme, as the Commission proposes, will contribute to Europe's digital and green transitions, to strengthening our resilience and strategic autonomy, and in turn our potential to innovate for the future,” he said.

In its operational role of ensuring that European companies are getting the best out of the EU satellite navigation systems, the GSA confirmed that significant new markets are coming, such as autonomous vehicles, cars and drones, or applications for smart mobility and smart cities. These will play a crucial role also for the European Green Deal. “To win parts of these markets, we need to have a performant EU entrepreneurship ecosystem and the involvement of all EU Member States. We have to gather our forces and our competencies,” the GSA Acting Executive Director said.

Indeed, EU Member States do not need to have specific competences in space technologies or a strong space sector to use space data and develop applications. The development of the Galileo Green Lane app, managed by the GSA, was led by traditional start-ups



Illustration of the Galileo FOC spacecraft

and SMEs. This app makes it possible to ease the transit of critical goods at borders within the EU. So, every Member State has the capacity to be an actor on these markets and to develop its own entrepreneurship.

The GSA also noted that EGNSS (Galileo and EGNOS) is a federator, making it possible to manage EU traffic, and maritime, inland waterway and rail transport. “We can federate all national traffic management systems towards a unique one,” Claudel said.

FUTURE FUNDING

Speaking at a summit session on funding opportunities, Marta Krywanis, Head of Downstream R&D in the GSA Market Development Department, explained that research and development play a key role in the innovation process. “R&D is an investment in technology and future capabilities that can be transformed into new products, processes and services,” she said.

Krywanis explained that for years the GSA has applied a market-oriented approach to innovation in downstream applications. “This has proven to

be a major factor in the market uptake of EGNOS and Galileo. The successful implementation of the Fundamental Elements and H2020 programmes have led to the creation of a portfolio of products and advanced prototypes,” she said.

With the Galileo system as operational and with the new version of EGNOS to be deployed, the primary goal will be to establish European GNSS as the leader in those markets and sectors that best benefit the unique differentiators of the systems. Krywanis noted that, towards this goal, the GSA had consulted with stakeholders and produced a report on proposed European GNSS (EGNSS) downstream funding priorities and tools for the years 2021-2027.

“We believe that R&D focused on EGNSS and its synergies with Copernicus and GovSatCom, for example, will bring many innovations and will contribute to more competitive industry and a greater number of products made in the EU,” she said.

Source: European GNSS Agency (GSA).



CORONA: THE UNEVEN ECONOMIC RECOVERY AND GEOPOLITICAL RIVALRY

The summer holidays are approaching, and suddenly with life almost back to normal people are starting to come under the illusion that the disease and the lockdown were a distant story from a long time ago. The total Coronavirus cases around the world amount to 9,2 million official cases with officially 472,520 lives taken, with the USA on top of the table followed by Brazil, Russian and India, and China has dropped this month from the 14th to the 21st position as I am writing.

Europeans have gradually started spending their savings and the stimulus money and are planning to spend more as we dive into the

summer, however the press and media keep talking about the doom and gloom.

The IMF (International Monetary Fund) has lowered its global growth forecast for this year; instead of the 3% forecasted in April it now predicts a 4.9% contraction of the global economy, also this is the first time the world GDP is negative since 1980. The largest change is for India, from initially a slower growth to finally - 4.5%, and in the developing countries the UK seems to be the deepest impacted with - 10%. The best projection is that for China with a 1% growth this year. A continued scarring (companies going out of business)



IMF headquarters Washington DC

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and the future uncertainty that hurdle the consumer spending are the main underlying reasons of the contraction.

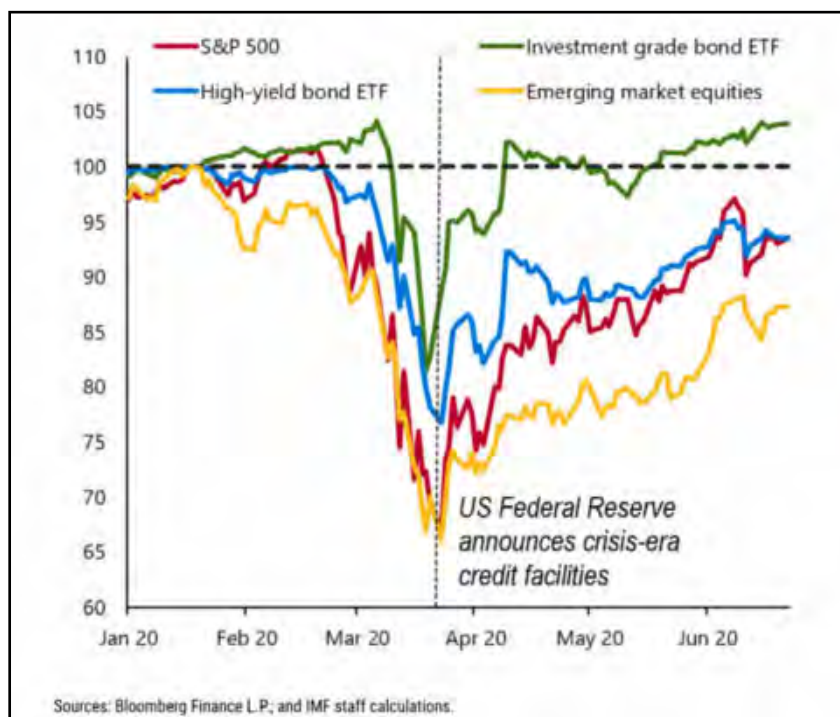
The recovery currently is uneven, with 75% of the countries reopening while the pandemic in the emerging markets and developing economies intensifies. As long as there is no vaccine or treatment in sight, the increase in spending and mobility gets offset by the new waves of the infections around the world. Furthermore, with most of the spending currently happening in the retail sector, the spending in tourism and hospitality sectors are still subdued, and so countries depending on those sectors as the main source of income will suffer much more. These projections imply a cumulative loss of 12 trillion dollars for 2020-21, in front of which the governments have put a global fiscal support of nearly 10 trillion dollars deployed mainly in the developed economies, so the uneven recovery is likely to continue.

In the meantime, the European leaders have still not managed to strike an agreement on the final amount and the terms of the unprecedented stimulus package of 750 billion Euros. The main obstacle of the deal is still the division between the member states on

how the package is going to be disbursed by the weaker member states, and other hurdles on the way are the questions on whether or not Europe should issue more debt, and if it did how to calculate who gets what and how to oversee it because no European taxpayer wants to see their money arriving in dodgy hands. The talks are likely to continue during the summer holidays.

To add salt to the mix there is the constant danger of the pending trade and geopolitical tensions. So far the trade is expected to collapse by 12% this year due to the fragile global relationships hurting the export-dependant economies.

Recently Lancet Medical Journal, a study by the Hong Kong researches reported that the amount of real corona cases in China are likely to be four times more than officially reported, based on the idea that the true number would have been far greater if the definition of a Covid-19 case that was later used



had been applied from the outset. For information the diagnostic criteria for identifying the disease was revisited seven times between 15 January and 3 March by China's national health commission.

The new estimates come amid a mounting clamor for an independent international inquiry into the coronavirus outbreak's origins with the United States and Australia being the loudest voices calling for the investigation. As a tit for tat recently China ratcheted up a bilateral trade rift by placing tariffs on the Australian barley, before accusing Australia of parroting the United States. The critics of the Australian government have expressed their concerns with the government's wordings and the country's relations with its economical allies and warning that the trade dispute may result in losing the country's most prominent trade partner and inviting China to boycott Australian exports.

Since the beginning of the health crisis this is the first time that China is using access to its massive markets as a grip to deflect the blame since the Corona virus outbreak. However, in the last decade China as the powerhouse has used the same tactic in political disputes with Norway and Canada.

Back in 2010 China and Norway had a falling out after the Nobel prize went

to the jailed dissident Liu Xiaobo. Back then the Foreign Ministry said that Norway - the Nobel Institute's home country - has shown "disrespect for China's judicial system" by supporting the awarding of the prize to Liu, a pro-democracy activist who at the time was serving an 11-year prison term on charges of inciting subversion.



Liu Xiaobo, winner of the 2010 Nobel Peace Prize

Consequently, the shares of Norwegian salmon exporters went down and their fish, largely excluded from the Chinese market, was called “Unhealthy”. According to the

reports with the Norwegian fish being kept for days outside China’s borders, it was obviously no longer fresh when it arrived in the distribution channels. And while the competitors from Faroe Islands and Scotland started taking up the lost Norwegian market share, the Norwegian farmers had no other choice than campaigning internationally that the Nobel Committee had nothing to do with the country of Norway.

In the Canadian case the dispute broke out in 2018 after Canada’s detention of Huawei Technologies Co’s Chief Financial Officer Meng Wanzhou on a U.S. warrant, and Beijing’s subsequent arrest of two Canadians accused of spying. China ever since has blocked imports of some Canadian commodities (canola, pork and beef) which did pinch the Canadian breeders and meat processors.

Also in response to what Beijing calls the US hostility, since the beginning of June 2020 China has halted buying American soybeans and pork meat, State purchases of bulk volumes of U.S. corn and cotton have also been suspended.

If China’s leverage lies in access to its massive markets summed

up by its 1.5 billion habitants, the US leverage lies in access to its capital markets, summed up by 34 trillion dollars only in the equities. The largest stock exchanges in the world are in the US with the NYSE (New York Stock Exchange), Nasdaq Stock Market and OTCQX U.S. Market holding in 2019 a total market value of 37 trillion dollars. As of February 2019, some 156 Chinese companies are reportedly listed on the U.S. exchanges with a total market capitalization of 1.2 trillion dollars. But in the last week of May a bill passed by the senate that if approved the US authorities can delist Chinese companies from the American exchanges, and thus cutting their access to the US capital markets, and so to the liquidity and the large investors base.

The delisting bill came after reports of Luckin Coffee (the Chinese Starbucks) - which joined the Nasdaq over a year ago with a market value of 4 billion dollars back in the day - and its chairman Lu Zhengyao who was cut on falsifying the company sales numbers and consequently trying to recoup losses on more than 500 million dollars in margin debt that soured after the accounting scandal. Subsequently lenders led by Credit Suisse Group are targeting the family assets of Luckin Coffee chairman. In the meanwhile the market value of the company is reduced to 700 million dollars with shares falling up to 45%.

The Luckin case is the first to serve as an example for the rest of the Chinese companies using access to global markets enabled by the US. The alleged lack of

transparency seems to be only one of the factors pushing the US senate to pass such a bill; the technology transfer and intellectual property rights violations seem to be another issue surfacing in the recent reports, as well as Chinese protectionist practices of their domestic markets where for example the digital and telecom sectors being completely out of reach of international companies, on top of the government subsidies to state-owned companies.

Within just three decades the world has witnessed a major shift in wealth from the West to the East, and more precisely to China essentially thanks to globalization and the free markets (Western ideals). China was able to regain the title of superpower mainly because of the free market access, and secondly through the US direct investments and technology enabled on the listed markets and beyond.

The China-US geopolitical rivalry goes further than soybeans and pork meat. Today’s trade war between America and China is in fact a small fraction of a much larger power struggle, and that is the fact the two are becoming increasingly strategic antagonists.

The real boon lies in the technology, and the silent ongoing war of 5G wireless technology made by Chinese telecom giant Huawei versus the Western providers such as Ericsson, Nokia, Oracle and Cisco. If the 5G is enabled by China it will impact the global value chain in the most fundamental ways.

The technology is the new geopolitics, and the more the world advances the more we will be witnessing the notion of tech-nationalism and tech-nationalistic policies. By then we will understand that the tariffs and the trade war were little things compared to the global landscape alteration, and the complete new world model that is waiting for us at the end of the line.



© Wikimedia

Luckin Coffee, located in a Chinese Mall

Vianne Savoli

NEWS IN BRIEF

SUCCESSFUL FIRST FLIGHT OF THE WORLD'S LARGEST ALL-ELECTRIC AIRCRAFT



The inaugural flight of the all-electric Cessna 208B Grand Caravan marks another milestone ushering in the new era of electric aviation. MagniX, the company powering the electric aviation revolution, and AeroTEC, a leading independent company focused on aerospace testing, engineering and certification, announced the successful flight of an all-electric Cessna Grand Caravan 208B. The successful flight of the eCaravan, magnified by a 750-horsepower (560 kW) magni500 propulsion system, took place at the AeroTEC Flight Test Center at the Grant County International Airport (KMWL) in Moses Lake, Washington. As the world's largest all-electric commercial aircraft, this is a significant milestone in disrupting the transportation industry and accelerating the electric aviation revolution. "The iconic Caravan has been a workhorse of industry moving people and transporting goods on short routes for decades," said Roei Ganzarski, CEO of magniX. "This first flight of the eCaravan is yet another step on the road to operating these middle-mile aircraft at a fraction of the cost, with zero emissions, from and to smaller airports. These electric commercial aircraft will enable the offering of flying services of people and packages in a way previously not possible." "I'm proud of the pioneering work performed by our engineers, technicians and flight test team," said Lee Human, President and CEO of AeroTEC. "There's no roadmap for testing and certifying electric aircraft –this is a new frontier and AeroTEC is on the front lines developing the processes and best practices that will pave the way for electric aviation." The flying of the eCaravan serves as another critical step in the certification and approval process of the magni500 propulsion system, enabling future conversions of additional aircraft to magniX's all-electric propulsion technology.

EQUIPMENT WORTH €668,000 FOR ETF INNOVATION CENTRE IN BELGRADE

Prime Minister Ana Brnabic stated during a visit to the new laboratories of the Innovation Centre of the Faculty of Electrical Engineering in Belgrade that this centre received equipment worth €668,000, noting that Serbia has never invested so much money in equipment.

The Prime Minister emphasised that for the government of Serbia, the key development of the country is based on knowledge and innovations.

She stated that €668,000 is invested in the equipment at the ETF from the loan for research and development of the European Investment Bank (EIB), whereby, together with the investment in the Science and Technology Park in Belgrade, the investment amounts to approximately €1 million.



Equipment worth €668,000 for ETF Innovation Centre

The money is being invested in equipment for young people in order to show that we believe in what they are doing, in their talent, that we are counting on them and that they are the ones who will create the basis for our faster and more competitive development, the Prime Minister said.

She emphasised that the current government is ending its mandate with four science and technology parks – in Nis, Novi Sad, Belgrade and the park that will be opened in Cacak on 16 June.

A NEW RADAR FOR THE US NAVY SPY-6 RADAR ARRAY ACES FINAL TEST – READY TO DEFEND FLEETS

Ballistic missiles, cruise missiles and other threats like aircraft will have difficulty evading the U.S. Navy's newest radar, the AN/SPY-6(V)1 radar, also called SPY-6.

SPY-6 is a family of advanced naval radars that allows ships to simultaneously detect and counter a host of threats in the air and at sea. The advanced radar gives operators and commanders more time to react by identifying more threats faster and at farther distances.

Raytheon Missiles & Defense, one of four businesses that form Raytheon Technologies, builds the SPY-6 radar and has completed near-field testing on the first 14'x14' modular array. This latest milestone moves the system one step closer to installation on the Navy's first Flight III guided missile destroyer, the USS Jack H. Lucas (DDG-125). The radar will be carried on seven types of Navy ships.

"The goal of near-field range testing is to increase integration speed, drive out risk and ensure SPY-6 is primed for installation," said Scott Spence, senior director of Naval Radar Systems at Raytheon Missiles & Defense.

All SPY-6 arrays undergo rigorous, live testing that includes:

- Operational health evaluation of more than 5,000 transmit and receive radiating elements.
- Alignment and calibration of nearly 150 subarray channels and 5,000 radar elements.
- Collection and validation of over 42,000 "golden database" parameters that allows automatic recalibration of the array during at-sea maintenance.
- Collection, analysis and verification of over 300 transmit and receive array beam patterns.

"When SPY-6 radar arrays leave our Radar Development Facility, they are ready to defend the surface fleet," Spence said.

The U.S. Navy's SPY-6 integrated air & missile defense radar in production at the Raytheon Technologies Radar Development Facility in Andover, Massachusetts.

Raytheon Missiles & Defense has nine DDG-51 Arleigh Burke-class destroyers on contract for the SPY-6 program and will build more systems to meet Navy demand.



The U.S. Navy's SPY-6 integrated air & missile defense radar in production at the Raytheon Technologies Radar Development Facility in Andover, Massachusetts.

The company has invested more than \$500 million in infrastructure and capacity enhancements for SPY-6, including advanced automation technology at its 30,000 square-foot Radar Development Facility. Construction on expanded production areas for key radar components is expected to be completed in 2020.

NATO RECOGNISES UKRAINE AS ENHANCED OPPORTUNITIES PARTNER

On Friday (12 June 2020), the North Atlantic Council recognised Ukraine as an Enhanced Opportunities Partner. This status is part of NATO's Partnership Interoperability Initiative, which aims to maintain and deepen cooperation between Allies and partners that have made significant contributions to NATO-led operations and missions.



As a NATO partner, Ukraine has provided troops to Allied operations, including in Afghanistan and Kosovo, as well as to the NATO Response Force and NATO exercises. Allies highly value these significant contributions, which demonstrate Ukraine's commitment to Euro-Atlantic security.

As an Enhanced Opportunities Partner, Ukraine will benefit from tailor-made opportunities to help sustain such contributions. This includes enhanced access to interoperability programmes and exercises, and more sharing of information, including lessons learned.

"This decision recognises Ukraine's strong contributions to NATO missions, and demonstrates the Alliance's continued commitment to its partnerships despite the COVID-19 pandemic," said NATO Spokesperson Oana Lungescu.

Ukraine is now one of six Enhanced Opportunities Partners, alongside Australia, Finland, Georgia, Jordan and Sweden. Each of the partners has a tailor-made relationship with NATO, based on areas of mutual interest.

Ukraine's status as an Enhanced Opportunities Partner does not prejudice any decisions on NATO membership. NATO Allies continue to encourage and support Ukraine in its reform efforts, including in the security and defence sector, with regard to civilian control and democratic oversight, and in the fight against corruption.

A LETTER TO THE EDITOR

In the May 2020 edition of Europe Diplomatic Magazine, we published a profile of the President of Belarus entitled 'ALEXANDER LUKASHENKO Dictator with a difference', together with an overview of the political and social situation in that country.

To this end, the author drafted the text following lengthy and detailed research in the available documentation, as well as information provided by sources based in the country itself.

We are of course quite aware of the fact that no two people on the planet agree with each other on everything, all of the time. However, we also know that the key is to share one's opposing

point of view respectfully — and effectively — so that the outcome one is looking for has a higher likelihood of materialising.

Therefore, in keeping with the principles of objectivity and impartiality which we have always held in high regard, we publish a letter in reaction to the article in question, from the Ambassador of the Republic of Belarus to Belgium and Luxembourg and its Permanent Representative to the EU and NATO.

Trajan Dereville,
Editor-in Chief



Dear Mr. Dereville,

I have always followed with great interest and attention the publications of such a respected «Europe Diplomatic Magazine». Each time it was distinguished by a deep analysis of global world problems, it was modern and relevant.

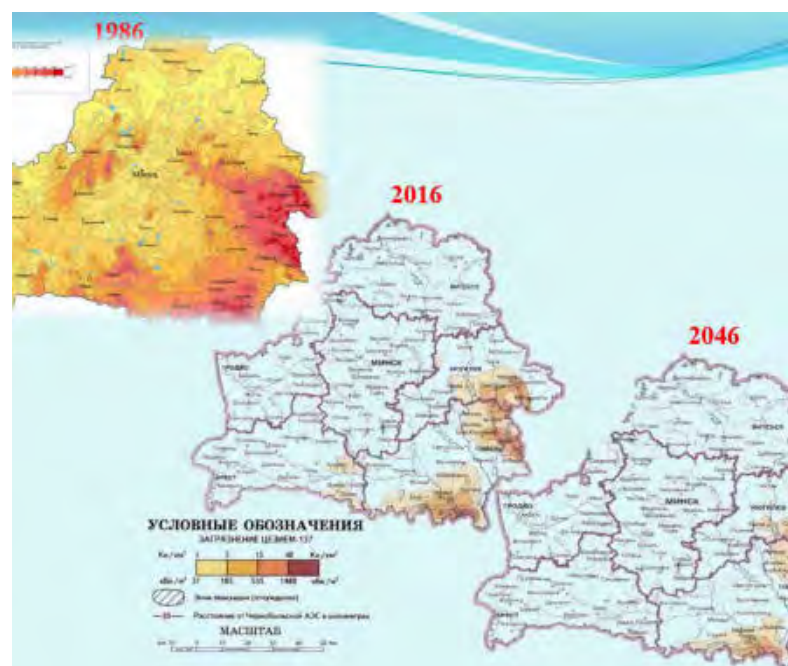
In this regard, I was greatly surprised by the appearance of the headline article in the May edition «ALEXANDER LUKASHENKO Dictator with a difference». The publication reminded me the spirit of the journalism of the Cold War, when biased articles were published on both sides of the Iron Curtain, designed to criticize the lifestyle of the opposite side, artificially exaggerate the flaws and hush up the positive sides. I remember how, for example, in Soviet publications, New York was called the «stone jungle», and Paris «nest of debauchery». I did not expect to see such a style again. Especially in the European Union, which claims to be the international standard in many areas, including journalism.

In our opinion, the publication about Belarus has a lot of incorrect and biased interpretations of the situation in various areas of my country's life. Parsing each inaccuracy in an article will take too much time. In addition, the author, with all his bias, has the right to his own fantasies. I will mention only the most serious and flagrant miscalculations.

Chernobyl disaster – the Pain of Belarus. The economic damage caused to the country by the accident at the Chernobyl nuclear power plant in 30 years amounted to about 235 billion dollars. It has infected 23% of the territory including 3678 settlements with 2.2 million people. Nearly 400 000 have left their homes forever. 479 villages have perished.

Of course, it is worth mentioning that we are grateful to the private organizations of Belgium, Germany, Italy, Austria, Poland and many other European countries, which provide humanitarian assistance to our country. Unfortunately, its scale is incomparable with national expenses.

Since independence, Belarus allocates at least 3% of the budget annually to overcome the consequences of a nuclear accident in the framework of a special state program. The funds are used



Contamination map of Belarusian territory by cesium-137

to decontaminate lands, cities and villages, where pollution has decreased to safely return them to normal life (territories contaminated with radiation have reduced 1.7 times).

In this situation, the allegations that Belarus denies the threat of Chernobyl or the incidence of cancer (which is not the only disease triggered by the accident) and are also trying to populate the infected zone thoughtlessly, sound simply cynical.

As well as the notion that Belarus neglects the threat of the COVID-19 pandemic. Belarusians perfectly acknowledge the gravity of the situation and are taking responsible and adequate decisions that are aimed to stop the spread of the disease. Since the outbreak of the epidemic Belarus has significantly increased the capacity of healthcare institutions and domestic production of drugs and medical products. The national healthcare industry currently employs almost 310,000 people, the total bed capacity in the hospitals is about 100,000. The quantity of ventilators for 100,000 citizens is 25, together with anesthetic and breathing equipment – 36, which makes this index higher than in some neighboring and Western countries. From the very beginning of the crisis Belarus has chosen the strategy of early detection of the contaminated people and their isolation making sure that this will break the chain of the spread of the virus.

Many have had a temptation to point out that official Belarusian figures on the spread of the disease had been false. But even the President of Lithuania – the country where the criticism towards my country has become a constant political narrative – was forced to admit that statistics was true. Even if one will multiple death toll in Belarus to 10 – the figures will still be around the average, although we mourn each death.

To assert that the choice of the abbreviation Slavic Union is connected with the Nazi «SS» police sounds blasphemous for everyone in my country, where one third of the population (about 3 million people, including 2,5 million civilians) died from the hands of the Nazis from 1941 to 1944. During the occupation, 209 out of 270 cities were looted and destroyed by fascists, including by «SS» soldiers, 9,097 villages were

completely or partially destroyed. 628 villages were burned along with residents (women, old people and children) by the «SS» punitive squads. Of this number, 186 villages were never rebuilt.

1.3 million inhabitants of Belarus fought at the front, about 450 thousand people took part in active rebel resistance, accelerating the liberation of Europe by the way. Partisans controlled entire regions in the country, completely freeing them from the Nazis. The small garrison of the Brest fortress that got in the way of Hitler fiercely defended in 1941 for several weeks (longer than the Nazis needed to capture some European countries). So, there is a question who was really fighting for the European values that the European Union tries to teach us now?

Belarus takes 8th place in the world in terms of the number of «Righteous Among the Nations» - local residents who saved Jews from inevitable extermination. On the wall of honor of the Yad Vashem Memorial Complex there are more than 700 Belarusian surnames. According to historians, in fact, there were much more, since many paid for their mercy with their lives.

In 2018, Belarus hosted a convention of the European Jewish Congress, which was attended by representatives of Jewish organizations from all over Europe. My country has rendered all possible assistance to them and continue to participate together with the international community in commemorating the memory of the victims of the Holocaust. At a time when



The capital city of Minsk in the evening

anti-Semitic actions and speeches are growing in the European Union, it is probably convenient for some experts to redirect attention from real problems with intolerance.

Belarusians are known in the world for their peacefulness and good neighborliness. That's why we have granted equal social and labor rights with Belarusian citizens for more than 160 thousand Ukrainians, according to the UNHCR, who arrived after 2014 due to the aggravation of the situation in the neighboring country.

At my invitation, Minsk was visited by numerous delegations of politicians, entrepreneurs, artists, and ordinary people. None of them have complained about the capital, or about other cities in my country. If the author is overwhelmed by the «intimidating and oppressive architecture» of the capital, he



Khatyn memorial complex with the number of burned-out villages

probably has never been there. By the way the center of Minsk that oppresses the author the most has just been nominated to the UNESCO world heritage.



The city of Minsk

Minsk is a relatively young city from an architectural point of view. It was completely destroyed during the war. Indeed, citizens of Minsk are making great efforts to keep the city clean. This is a visiting card of our capital. With all the author's desire to describe the «army of the unemployed» in Belarus, the order is maintained by public services. And unemployment in Belarus in the 1st quarter of 2020 amounted to 4.1% of the working-age population according to the methodology of the International Labor Organization. It seems to me that some European countries may envy this indicator. Many European residents are probably unaccustomed to visit clean cities, where there are no dog feces on wide sidewalks, and people do not allow themselves to urinate on the streets.

The author pledges that economy of Belarus is based on oil exports. Oil refining is indeed a substantial sector of our economy. But in no case it is the only one. Last years we have substantially modernized our enterprises in order to increase the efficiency of hydrocarbon utilization. Together with fuel production, our country uses petroleum products in the chemical industry, for example, in the production of artificial fiber, which is of great demand on the European market. In addition, Belarus takes the 2nd place in the world in the production of potash fertilizers.

We continue to create competitive products according to the most modern standards. For example, BelAZ factory holds one third of the global market for mining trucks, including creating unmanned vehicles that already operate in open mines. They successfully compete with Caterpillar or Komatsu trucks. Every 10th wheeled tractor in the world is of Belarusian production (exported to 164 states).

We are developing other advanced sectors of the economy. The High-Tech Park in Minsk has been operating for 10 years already. Mobile applications used by more than 1 billion people in 193 countries are being developed there. 91% of the software produced in the Park is exported (mainly to the United States and the Western European countries). Such applications

as Viber, Juno, MSQRD, as well as the world famous game «World of Tanks» have been developed in HTP.

We would be happy to show to the EU our real potential in economic cooperation, exporting more to Europe. But for 20 years (until the recent warming which started in 2015), the European Union rope has not systematically cooperated with our country. Moreover, it used each possibility to sting Belarus on various occasions. Partly this approach remains unchanged. Over the years, we have not asked the EU for help or charity. We only needed equal conditions in the market. But Europe declaring itself as an ideal free market economy continued to shut itself off from the countries like Belarus, creating political, administrative and trade barriers. For example, by dragging out the certification procedure for Belarusian agricultural products. It slows down negotiations on Belarus's accession to the WTO. Another example of the EU protective measures is quota on trade ferrous metal's products with our country, because the European Union is not able to compete and protects its producers.

Naturally, in such conditions, the young independent state had to rely on other available centers of power. For example, in the East, in Asia, in far arc countries. It was not an easy path but we have managed to achieve some progress both in our external trade and in our internal economic development.

The estimation, that Belarusian countryside reminds another era is also very far from reality. Yes, Belarus was and remains partly an agrarian country. Around the world, this is a sector requiring large investments, even in the EU. The funds invested by Belarus in the agriculture, successfully provide food not only to our own citizens, but also to sell products abroad. In 2019, Belarusian food products were supplied to 104 countries where they are valued for their naturalness and lack of GMOs.

Dear Mr. Dereville, I really want the «Europe Diplomatic Magazine» to remain an authoritative, interesting and objective medium. Taking this opportunity, I would like to personally invite you to Belarus so that you have the possibility to see with your own eyes my country as it is, with its shortcomings, but also with many advantages.

Obviously, no one knows our problems better than ourselves. And over the years of our independence, we have seen that only we ourselves can solve them. So, let us do our job.

I very much hope that, in accordance with the democratic principles of objectivity and impartiality of the media, your journal will publish this letter.

Sincerely,

Aleksandr MIKHNEVICH,

Ambassador Extraordinary and Plenipotentiary of the Republic of Belarus to Belgium and Luxembourg with residence in Brussels, Permanent Representative of Belarus to the EU and NATO

TIMELESS CHIC

Standout Fashion and Beauty trends

By Clara Bauman

10 Summer hits

For a summer at the height of fashion, we have spotted the indispensable items you urgently need to look out for.



© TWINSET

White, crisp dress, lace details and bohemian femininity...
lovable summer fashion according to Twinset !

1



Hello sunshine!

Look at the world through rose-coloured glasses in this tinted pair of sunnies. The butterfly shape is right on trend for the season and we love the tie and dye effect...so 2020!

(ferragamo.com)

2



A touch of romanticism

In 2020, the codes of romanticism have everything to please. Here's the proof: this short, lined lace dress with flounce sleeves is perfect as an elegant day outfit or for an evening date.

(liujo.com)

3



The sweet sound of music

At the beach, in one's garden or while jogging, we all enjoy our favourite playlists.

Or why not continue indulging in a habit that has set in during lockdown: listening to podcasts. The distinguishing features of this marvel of technology and design by Bang & Olufsen: extreme listening comfort, a noise cancelling system and up to 25 hours of playtime.

(bang-olufsen.com)

4



Sunshine in a bottle

Do the fragrances from the 'Bronze Goddess' collection by Estée Lauder still need introducing? To date, no fragrance has been able to evoke so fully the feeling of a beach escape, the heat of the sun, the softness of warm sand and the radiance of bronzed, glowing skin. This iconic 'Eau Fraîche Skinscent' combines the velvety tiare flower, showcased along with creamy coconut and the radiant warmth of amber, sandalwood and vanilla.

(esteelauder.com)

5



Bling!

As opposed to the delicate layers of necklaces that were a thing last year, this summer, it's all about chunky, gold-chain necklaces. This model by Swarovski combines the codes of twinkling glamour and those of shameless flaunting. And it works !

(swarovski.com)

TIMELESS CHIC

Standout Fashion and Beauty trends

By Clara Bauman

6



Blazers, everybody!

Whether you prefer the casual or the formal look, the blazer has become a must-have item in the wardrobes of fashionistas, across all generations.

The key elements of the 2020 version of the blazer: double-breasted, white (or beige) and XXL. Scotch & Soda have got it just right...

scotch-soda.com

7



Back to the slingback

Slingback shoes are a preppy, yet elegant statement. But as they're quite minimalistic in their style, they kind of go with anything. You can wear them with a midi skirt for a more classical look or with jeans for a stylish contrast. And to be completely in tune with the summer trends, you can choose a two-tone model such as pink and beige shown here.

twinset.com

Nail polish...all you wish!

'Sunset' colours are the stars of this summer. You can wear them from top to toe, down to your fingertips.

These little wonders by Essie have the marvellous talent of drying in 60 seconds flat.

essie.com



9



Something blue

The rule of three that demonstrates the need to own this bag is fairly easy to understand:

1. Its printed fabric inspired by the 'denim patchwork' is madly trendy
2. It's a maxi tote bag (the summer's star model)
3. It contains a small, assorted pouch which can store the barest essentials for an evening out...a definite must-have.

jerome-dreyfuss.com

A facial roller

Kate Moss is thought to use it constantly to while away the time, between two professional engagements. Beauty experts have also taken to it as part of their 'anti-aging routines'.

5 reasons to also go for it:

1. The rolling motion, and the natural coldness of the stone, (rose quartz crystal) improves blood circulation which stimulates lymphatic drainage (the removal of toxins) and oxygen flow.
2. Rolling the eye-area depuffs the under-eye bags and reduces dark circles by stimulating lymphatic drainage.
3. Rolling will stimulate collagen production by massaging the deeper layer of your skin and asking it to reorganise itself and produce new collagen. This will plump fine lines.
4. Use this roller as a work-out for your skin to lift and sculpt the face and neck, and to improve the skin's elasticity.
5. Rolling will also make a difference to the texture, tone and clarity of your complexion, leaving your skin with that desirable natural glow.

thecoucclub.com and debijenkorf.nl



10

BOOKS



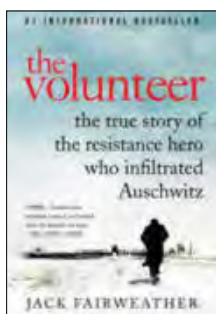
KING HENRY'S SISTER MARGARET: SCOTLAND'S TUDOR QUEEN

By Mary McGrigor

In the summer of 1503, a young girl, her beautiful auburn hair concealed beneath a snood, set forth to ride to Scotland on a white pony. Princess Margaret, daughter of Henry VII, went as the bride of King James IV of Scotland, to cement a truce between his country and her own. Unknown to her, King James

was already secretly married to a lady who had been murdered to preserve the political alliance. This was just one of the traumas which Margaret had to endure before King James died at Flodden, bribed to fight England with French gold.

Alone, surrounded by enemies, she remarried to the young Earl of Angus, only to then fall passionately in love with the Duke of Albany, Regent of Scotland, during her son's minority. Passionate and headstrong, but always loyal to her brother, King Henry, acting secretly as his spy, her story is tragic and triumphant.



THE VOLUNTEER

By Jack Fairweather

THE TRUE STORY OF THE RESISTANCE HERO WHO INFILTRATED AUSCHWITZ

"Superbly written and breathtakingly researched, *The Volunteer* smuggles us into Auschwitz and shows us—as if watching a movie—the story of a Polish agent who infiltrated the infamous camp, organized a rebellion, and then snuck back out. ... Fairweather has dug up a story of incalculable value and delivered it to us

in the most compelling prose I have read in a long time." —Sebastian Junger, author of *The Perfect Storm* and *Tribe*

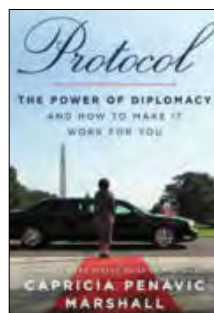
The incredible true story of a Polish resistance fighter's infiltration of Auschwitz to sabotage the camp from within, and his death-defying attempt to warn the Allies about the Nazis' plans for a "Final Solution" before it was too late.

To uncover the fate of the thousands being interred at a mysterious Nazi camp on the border of the Reich, a thirty-nine-year-old Polish resistance fighter named Witold Pilecki volunteered for an audacious mission: assume a fake identity, intentionally get captured and sent to the new camp, and then report back to the underground on what had happened to his compatriots there. But gathering information was not his only task: he was to execute an attack from inside—where the Germans would least expect it.

The name of the camp was Auschwitz.

Over the next two and half years, Pilecki forged an underground army within Auschwitz that sabotaged facilities, assassinated Nazi informants and officers, and gathered evidence of terrifying abuse and mass murder. But as he pieced together the horrifying truth that the camp was to become the epicenter of Nazi plans to exterminate Europe's Jews, Pilecki realized he would have to risk his men, his life, and his family to warn the West before all was lost. To do so, meant attempting the impossible—an escape from Auschwitz itself.

Completely erased from the historical record by Poland's post-war Communist government, Pilecki remains almost unknown to the world. Now, with exclusive access to previously hidden diaries, family and camp survivor accounts, and recently declassified files, Jack Fairweather offers an unflinching portrayal of survival, revenge and betrayal in mankind's darkest hour. And in uncovering the tragic outcome of Pilecki's mission, he reveals that its ultimate defeat originated not in Auschwitz or Berlin, but in London and Washington.



PROTOCOL

By Capricia Penavic Marshall

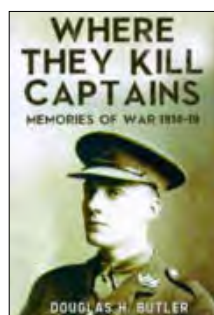
THE POWER OF DIPLOMACY AND HOW TO MAKE IT WORK FOR YOU

President Obama's former United States chief of protocol looks at why diplomacy and etiquette matter—from the international stage to everyday life.

History often appears to consist of big gestures and dramatic shifts. But for every peace treaty signed, someone set the stage, using hidden influence to effect the outcome. In her roles as chief of protocol for President Barack Obama and social secretary to President Bill Clinton and First Lady Hillary Clinton, Capricia Penavic Marshall not only bore witness to history, she facilitated it. From arranging a room to have an intended impact on the participants to knowing which cultural gestures earned trust, her behind-the-scenes preparations laid the groundwork for successful diplomacy between heads of state around the world and tilted the playing field in her team's favor.

If there's one thing that working at the highest levels of government for over two decades has taught Marshall, it's that there is power in detail and nuance—the micro-moves that affect the macro-shifts. When seemingly minor aspects of an engagement go missing or awry—a botched greeting or even a poorly chosen menu—it alters the emotions and tenor of an exchange, setting up obstacles rather than paving a way forward. In some cases, an oversight may put the entire endeavor in jeopardy.

Sharing unvarnished anecdotes from her time in office—harrowing near misses, exhilarating triumphs, heartwarming personal stories—Marshall brings us a master class in soft power, unveiling the complexity of human interactions and making the case that etiquette, cultural IQ, and a flexible mind-set matter now more than ever. When the notion of basic civility seems to be endangered, *Protocol* reminds us how critical these principles are while providing an accessible guide for anyone who wants to be empowered by the tools of diplomacy in work and everyday life.



WHERE THEY KILL CAPTAINS: MEMORIES OF WAR 1914-19

By Douglas H. Butler

A poignant account of life at the Front during the Great War, vividly relived by the author. Reflecting on his time as a teenager he related, 'I was very young to be in command of a company at Passchendaele and, looking back, I realise that we were all so very young'.

With anecdotes of the horrors of experiencing the unimaginable scale of death and destruction, interspersed with humour, such as witnessing somebody painting the hairy bits of their body with creosote to discourage the ubiquitous lice, only to end up in hospital! The book also includes some very interesting advice on sex, love and marriage, which were usually far from the thoughts of the men; food was uppermost.

Time moved along its endless groove of boredom, terror, discomfort and good fellowship. The author recalls the pain of writing to families of those killed and, remarkably, meeting one man 'returning from the dead', very appreciative of the letter's glowing tribute sent to his mother!

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