Digital Money Laundering: Between Criminal Gravity and Anti-Money Laundering Challenges in Algerian Legislation

تبييض الأموال الرقمي: بين الخطورة الاجرامية وتحديات المكافحة في التشريع الجزائري



Chibani Mokhtaria [1*]

[1] University of Tiaret, Laboratory for Research on Ecosystem Protection Legislation, Algeria,

mokhtaria.chibani@univ-tiaret.dz

(https://orcid.org/my-orcid?orcid=0009-0001-9166-1992)

Date of transmission: 15/03/2026 date of acceptance: 25/05/2026 date of publication: 01/06/2026

****

Abstract:

Money laundering is considered one of the most serious economic crimes due to its inherent connection with organized and transnational crime. Technological advancements have facilitated the emergence of a digital environment, leading to the proliferation of this crime within digital media. This evolution presents a major obstacle to financial institutions and banking sectors, as these crimes are committed in a virtual world where identifying perpetrators is exceptionally difficult, resulting in detrimental consequences for the national economy.

The Algerian legislature has addressed this crime through a comprehensive legal framework, notably Article 389bis of the Penal Code, Law No. 05-01 on the Prevention and Combating of Money Laundering and Terrorist Financing, and Law No. 06-01 on the Prevention and Combating of Corruption. Nevertheless, challenges persist in identifying offenders and recovering criminal proceeds transferred abroad.

Keywords: Money Laundering; Economic Crime; Digital Media; Criminal Proceeds; Algeria.

الملخص:

تُعدّ جريمة تبييض الأموال من أخطر الجرائم الاقتصادية نظراً لارتباطها الوثيق بالجريمة المنظمة والعابرة للحدود الوطنية. وقد ساهمت التطورات التكنولوجية في ظهور بيئة رقمية حديثة، الأمر الذي أدى إلى انتشار هذه الجريمة وتناميها عبر الوسائط الرقمية. ويشكّل هذا التطور تحدياً كبيراً أمام المؤسسات المالية والقطاعات المصرفية في مكافحتها، نظراً لارتكابها في فضاء افتراضي يصعب فيه تحديد هوية مرتكبيها، مما يترتب عنه آثار سلبية وانعكاسات خطيرة على الاقتصاد الوطني.

وقد تصدّى المشرّع الجزائري لهذه الجريمة من خلال وضع إطار قانوني شامل، لاسيما المادة 389 مكرر من قانون العقوبات، إلى جانب القانون رقم 05-01 المتعلق بالوقاية من تبييض الأموال وتمويل الإرهاب ومكافحتهما، والقانون رقم 06-01 المتعلق بالوقاية من الفساد ومكافحته. ورغم هذه الجهود التشريعية، لا تزال هناك تحديات قائمة، خاصة فيما يتعلق بصعوبة الكشف عن هوية مرتكبي هذه الجرائم واسترجاع العائدات الإجرامية التي يتم تحويلها إلى الخارج.

الكلمات المفتاحية :تبييض الأموال؛ الجريمة الاقتصادية؛ الوسائط الرقمية؛ العائدات الإجرامية؛ الجزائر.

[*] **Corresponding Author**

Introduction:

Information and communication technology (ICT) has contributed to the development of the business environment, delivering benefits such as speeding up financial services through electronic payment systems and smart cards amid financial globalization. [1]However, this has been accompanied by a negative aspect in the form of the spread of cybercrime, as money laundering operations have shifted to digital procedures via electronic banks and digital checks,[2] allowing criminals to conceal their identities and transfer funds across borders, threatening the stability of the national economy and financial institutions.[3]

This study aims to assess the severity of electronic money laundering, identify the advanced methods that impede the detection of perpetrators, and clarify its impact on national economies, in addition to reviewing the obstacles and challenges facing the legal frameworks for combating this crime.

How effective are the legal mechanisms in Algerian legislation in confronting the growing threat of digital money laundering in light of technological development?

First Topic:

The Conceptual Framework of the Crime of Digital Money Laundering

Money laundering aims to confer legal legitimacy on funds obtained by criminal gangs through illicit activities, for fear of their confiscation by the public authorities, To this end, methods are employed to conceal the true sources of such funds, thereby bringing money derived from criminal activity out of the shadows and treating it openly as legitimate.[4]

In this section, we shall address the concept of the crime of money laundering in (Section One), whilst dedicating (Section Two) to the methods used in money laundering.

The first requirement: The Concept of the Crime of Money Laundering

Legislation varies across countries in its definition of the crime of money laundering; therefore, we shall address the legal and jurisprudential definitions of the crime of money laundering in (Subsection One), whilst dedicating (Subsection Two) to the characteristics of the crime of money laundering.

---

[1] Baadji Abdennour, "The Impact of Information and Communication Technology on the Crime of Money Laundering", *Critical Journal of Law and Political Science*, Faculty of Law and Political Science, University of Tizi Ouzou, Vol. 7, Issue 01, 2022, p. 1049.

[2] Wahiba Abderrahim, "A Study of the Crime of Money Laundering through Electronic Channels", *Journal of Law and Human Sciences*, Economic Studies, p. 2.

[3] Baadji Abdennour, *Op. Cit. *, p. 1049.

[4] Moudjahidi Brahim, "The Legal Effects of the Crime of Money Laundering", *Algerian Journal of Legal and Political Sciences*, p. 185.

First section: Definition of the crime of money laundering

In this section, we shall address the legal definition of the crime of money laundering (firstly), and then turn to the jurisprudential definition (secondly).

Firstly: the legal definition

Legislation varies across countries in its definition of the crime of money laundering, with some legislation adopting an absolute approach, i.e. criminalising money laundering resulting from any felony or misdemeanour, whilst excluding minor offences from the scope of the original crime, whilst other legislation adopts a restrictive approach, criminalising money laundering arising exclusively from specific offences.[1]

The Model Arab Law on Combating Money Laundering defines it in Article 4, which states : "A person commits the offence of money laundering if they commit any of the following acts:

1. Transferring or moving funds knowing that they are derived from a criminal offence, with the intention of concealing or disguising the illicit source of those funds.
2. Concealing or disguising the true nature, source, location, disposition, movement, ownership or rights relating to funds, knowing that they are derived from a criminal offence.
3. Acquiring, possessing, using, managing, holding, exchanging or investing funds, knowing at the time of receipt that they are derived from a criminal offence.[2]

Given that the crime of money laundering is the mainstay of the continuity of crime, and to curb it, the European Union has defined it as : "the conversion or transfer of property, knowing that such property is derived from serious criminal activity, for the purpose of concealing its illegal origin or assisting any person in such acts.

The Vienna Convention was recognised as one of the first conventions to tackle the organised crime of money laundering en 1988, as follows:

The French legislature adopted a narrow approach to defining the offence of money laundering in Law No. 683 of 1992 ; Articles 34 to 39 of Chapter 222 incorporate the provisions of Article 627 of the French Public Health Code, which criminalise the production, manufacturing, transporting, importing, exporting, possessing, offering for sale, transferring, and using them in unlawful ways. Accordingly, the French legislature criminalised in Article 222(37) of the

---

[1] Hossam El-Din Mohamed Ahmed, *Explanation of the Egyptian Law No. 80 of 2002, concerning Anti-Money Laundering in Light of Modern Trends : A Comparative Study*, Dar Al-Nahda Al-Arabia, Cairo, 2003, p. 89.

[2] Moudjahidi Brahim, "The Legal Nature of the Crime of Money Laundering", *Journal of Legal and Political Research and Studies*, Issue 3, p. 15.

aforementioned Act all acts intended to conceal the true nature of funds derived from offences relating to drug trafficking or the unlawful handling of narcotics.

This approach aims to treat all funds derived from illicit operations as 'dirty money' and regards any attempt to conceal them or shield them from the reach of justice as a money laundering offence, with a view to eradicating and combating a wide range of crimes.[1]

The Algerian legislature has defined the offence of money laundering in Article 2 of Law No. 05-01 [2]as follows: "The following shall be deemed money laundering:

- the conversion or transfer of property, knowing that it constitutes the proceeds of crime, with the intention of concealing the unlawful source of such property or of assisting any person in evading the legal consequences of the predicate offence from which such property was derived;

However varied the definitions may be, it can be said that the offence of money laundering is: "aimed at legitimising funds acquired from unlawful sources or activities, through a series of procedures intended to conceal the nature of their unlawful source.[3]

Secondly: The Jurisprudential Definition

Given the seriousness of the crime of money laundering across various economic, social, political and even criminal spheres—which has prompted jurists to research this subject and define the crime of money laundering—criminal jurists, including Dr Huda Qashoush, have defined it as: à series of interrelated financial transactions designed to conceal the illicit source of funds and present them as having been obtained from a legitimate source, or to contribute to the use, concealment or transfer of the direct or indirect proceeds of a felony or misdemeanour.[4]

Dr Ibrahim Eid Nail defined it as : " Any operation intended to conceal or disguise the illicit source from which these funds were acquired or obtained.[5]

Dr. Mohamed Musbah Al-Qadi, meanwhile, defined it as : "Any operation intended to conceal the illicit source from which the funds were acquired, whatever that source may be."

---

[1] Nabila Arkoub and Mohamed Boucha, "The Crime of Money Laundering in Algeria and the Efforts Made to Combat It", *Journal of Economics and Human Development*, Vol. 11, Issue 3, p. 110.

[2] Relating to the Prevention and Combating of Money Laundering and Terrorist Financing, (*Official Gazette* issued on February 9, 2005, Issue 11, p. 4).

[3] Ali Abdullah Shaheen, "Banking Strategies to Combat Money Laundering Operations and Ways to Develop Them: An Applied Study on Banks Operating in Palestine", *Islamic University Journal*, Palestine, Vol. 12, Issue 2, June 2009, p. 646.

[4] Moudjahidi Brahim, "The Legal Effects of the Crime of Money Laundering", *Op. cit.*, p. 187.

[5] Ibrahim Eid Nael, *The Criminal Confrontation of the Phenomenon of Money Laundering in National and International Criminal Law*, Dar Al-Nahda Al-Arabia, Cairo, 1999, p. 7.

Dr. Mohamed Shuaib defined it as : "the concealment of the sources of dirty money derived from the drug trade and its channelling into the investment sector."

Section Two: Legal Characteristics of the Offence of Money Laundering

Given that the offence of money laundering is not an ordinary offence, which cannot be committed in isolation, but rather requires an international criminal network that is interconnected and operates collaboratively, characterised by a hierarchical structure, to confer a semblance of legitimacy upon the illicit funds obtained by organised crime syndicates as a result of engaging in unlawful activities, such as trafficking in drugs and psychotropic substances, weapons, human trafficking and the trafficking of human organs, as well as the criminal proceeds these gangs obtain in the form of vast profits and wealth. This enables these criminal organisations to infiltrate, contaminate and corrupt governments, legitimate commercial and financial institutions, and society at all levels. The characteristics of money laundering can be summarised as follows:[1]

Firstly : The international nature of money laundering

The crime of money laundering involves, during its execution, several operations to transfer and smuggle illicit funds from one country to another, as the communications revolution has contributed to the global spread of this phenomenon. Consequently, a single crime is now committed across several different territories, and criminal proceeds are smuggled from one country to another via various regions, The criminal believes that these funds will be safe from confiscation and beyond the reach of the supervisory authorities. Perpetrators of these crimes have taken advantage of the open borders between states, which have become even more porous following the implementation of the World Trade Agreement, and from modern technology, which allows them direct access to global financial markets. These criminal networks now carry out numerous electronic or physical banking transactions through which millions of dollars linked to criminal activities and drug trafficking are laundered without geographical constraints, Money launderers are now able to move and smuggle monetary assets, regardless of their size, to and from any part of the world, to be mixed with legitimate funds and economic projects; once this legitimacy is established, criminal gangs use these funds to finance other gangs, and so on, in a continuous cycle.[2]

Secondly: The organised nature of the crime of money laundering

The element of multiple perpetrators is what distinguishes the crime of money laundering, such that the final result is the product of the combined efforts of several individuals, each of whom, of their own free will, carried out a part of the elements

[1] Moudjahidi Brahim, "The Legal Nature...", *Op. cit.*, p. 189.

[2] Moudjahidi Brahim, "The Legal Effects of the Crime of Money Laundering", *Op. cit.*, p. 190.

constituting the material aspect of the crime, whilst possessing criminal intent. Given the presence of this characteristic in the crime of money laundering, two fundamental descriptions are required for this offence:

A. Multiple perpetrators in the commission of a crime

'Multiple perpetrators' refers to a group of individuals who contribute to the commission of a crime by acting in concert ; it is irrelevant whether the role assigned to each participant in the crime is primary or secondary.[1]

B. Unity of the offence:

Unity of the offence refers to both material and moral unity. Material unity exists in the elements constituting the physical conduct result in a single, specific outcome; if they extend beyond this to other outcomes, the material unity of the offence ceases to exist, and we are faced with a situation of multiple offences involving multiple perpetrators. The basic principle is that each of the accomplices involved in the crime carries out an activity or a series of activities in cooperation with the efforts of the others to achieve the criminal result, provided there is a causal link between the criminal conduct and the result to which it led.

The offence of money laundering falls under the description of organised crime due to the presence of the characteristics of material and moral unity therein, By its very nature, the offence of money laundering requires the existence of a connected network of individuals or organisations carrying out a series of acts designed to confer a semblance of legality upon a series of unlawful acts. The use of advanced technology in the commission of crime.

Money laundering is considered a sophisticated crime, as perpetrators exploit technological advances in communications and banking operations, and it is carried out through international networks characterised by tight security. This necessitates the development of new and coordinated counter-measures to tackle this crime at both local and international levels.[2]

Third: The economic nature of money laundering

Money laundering is considered an economic crime, as it involves material or financial gains. It also constitutes a violation of criminal and economic legislation and laws, thereby affecting the economic interests of states and hindering the development process. Among the most significant types of crime affecting the economy are drug trafficking, bribery, corruption, money laundering and forgery, and arms trafficking.[3]

---

[1] Ibid.*, p. 191.

[2] Hisham El-Sayed, *Combating Money Laundering and Terrorist Financing: Efforts of the State of Qatar*, 2020, p. 21.

[3] Hani Eissawi El-Sobky, *Money Laundering: A Study in Light of Islamic Sharia and Some International, Regional, and National Legislations*, Dar Al-Thaqafa for Publishing and Distribution, Amman, 2015, p. 21.

Section Two: Methods used by perpetrators to launder money

Perpetrators of money laundering resort to various methods and techniques to convert criminal proceeds into assets that appear clean and legitimate, using traditional means, which we shall address in (Section One). Furthermore, technological advancements have made it easier for perpetrators to carry out these crimes using sophisticated and modern methods that are difficult to detect, which we will address in (Section Two).

Section One : Traditional Methods of Money Laundering

Traditional methods consist of numerous old techniques that are well-known to supervisory and regulatory bodies. They are considered traditional both because of the long history of their use and in comparison to more advanced methods. These include:

Firstly : Smuggling money across borders

Smuggling money abroad is considered one of the simplest and most widespread methods of money laundering, whereby the smuggler hides cash in the secret pockets of suitcases, places it in children's toys or nappies, or smuggles small pieces of gold and precious stones to sell abroad.[1]

Secondly: Shell companies as a means of money laundering

Shell companies are used in money laundering by establishing companies that appear to operate legitimately. This is achieved through various methods, such as purchasing companies that have incurred significant losses, or those in liquidation, to provide them with illicit financial support and transform them into profitable enterprises.[2]

Third: Exploitation of banking institutions in money laundering

Banking and financial institutions are among the methods used by money launderers to transfer and deposit their funds, with the aim of investing them to make them appear as legitimate returns. This is done by transferring illicit funds abroad and depositing them into bank accounts in various countries where the banking system is not sufficiently regulated.[3]

Fourth: The exploitation of the parallel market for money laundering

Hard currency is bought and sold on the black market, and this foreign currency is channelled into the parallel market via individuals who travel to foreign countries to smuggle it. This is because the exchange rate set by the Algerian Central Bank is the sole determinant of supply and demand for foreign currency, This occurs against a

---

[1] Nabila Arkoub and Mohamed Boucha, *Op. cit.*, p. 112.

[2] *Ibid.*, p. 112.

[3] Fatiha Guendouz, "A Study on the Stages and Methods of the Crime of Money Laundering", *Algerian Journal of Research and Studies*, Vol. 6, Issue 2, 2023, p. 384.

backdrop of widening parallel exchange rates (the black market). The reason for transferring funds in the parallel market is the higher selling prices of currency on the black market compared to bank rates.[1]

The traditional methods mentioned above are not exhaustive ; rather, the most important and most prevalent ones have been highlighted.

Section Two: Advanced Technological Methods of Money Laundering

Money laundering methods have evolved from traditional to modern techniques, in line with technological and digital advancements. Given the loopholes inherent in the digital environment, it is difficult to detect the perpetrators of this economic crime, allowing them to exploit this digital environment to the full. The most significant of these methods are as follows:

Firstly: The use of money transfer platforms

Money launderers exploit money transfer applications, encrypted communication platforms and digital currencies to conceal illicit funds, as revealed by the website 'World View Startfor'. Money launderers exploit these platforms because they are convenient, low-cost and widely available across the globe. Furthermore, as these platforms offer confidentiality, they facilitate fraudulent practices and enable these criminal networks to evade criminal accountability.[2]

Money transfer platforms are considered among the most prominent tools for obfuscation and making it difficult to identify criminals, given their ability to transfer funds across multiple accounts and obscure their final destination. Among these platforms are 'Zell' and 'Finmo', whilst the Canadian company Sky Global has provided electronic devices specifically encrypted for financial fraud and evading the law.[3]

Secondly: Digital currencies as a means of money laundering

These are cryptocurrencies, such as 'Bitcoin', which criminals use to transfer funds and conceal the identity of financial assets. According to Chainalysis, the volume of money laundered globally through Bitcoin trading increased from $1 billion in 2018 to $2.8 billion in 2019, Cryptocurrencies make it easier for smugglers to receive, conceal and transfer funds. They facilitate money laundering by helping criminal networks avoid investigation or arrest by concealing their identities and limiting the carrying of large sums of cash. They also enable offenders to convert their illicit income into legitimate income, which they can use across all sectors of the economy,

[1] *Ibid.*, p. 384.
[2] Mokhtar Ben Gouia, "The Crime of Money Laundering between Traditional Methods and Modern Technologies", *Mediterranean Journal of Law and Economics*, Vol. 9, Issue 1, 2024, p. 60.
[3] *Ibid.*, p. 60.

and all these operations can be easily carried out using virtual currencies such as Bitcoin.[1]

Thirdly: Transfer via cheques as a means of money laundering

Transfer via cheques involves three basic systems:[2]

The FIDWIR system, an internal system of the US Federal Reserve, conducts communications by telephone and issues instructions using a special code for laundering dirty money ; the message is then processed electronically and sent to the recipient, and the transfer is carried out via bank documents.[3]

-The CHIPS system, which is a payment system between banks affiliated with the clearing house, representing major banks in the US and other countries ; funds are transferred between banks as creditor and debtor via the clearing system.

-The SWIFT system, based in Belgium, is used to transmit cross-border transfer messages.[4]

Fourth: The exploitation of online banking for money laundering

One of the most significant and dangerous modern methods of money laundering is what is known as online banking or the ‘e-banking’ system. This is not, in fact, a bank in the conventional sense, as it has neither a physical headquarters nor staff, but acts as an intermediary to carry out certain financial transactions via the internet and through a website. It is one of the methods that allows money launderers to transfer or move large sums of money more quickly and securely.[5]

Topic Two:
The Economic Impacts of Money Laundering and Mechanisms to Combat It in Algerian Legislation

Economic globalisation has contributed significantly to the globalisation of economic crime, particularly money laundering, as financial and economic liberalisation has led to competition between states, tax cuts, reduced government spending, and the sacrifice of social justice, and the resulting redistribution of wealth from the low-income poor to the wealthy capitalists, as well as the abandonment of

---

[1] Maino Djilali, "The Criminal Use of Cryptocurrencies", *Journal of Law and Political Science*, Vol. 6, Issue 2, p. 142.

[2] Ahmed Hussein Al-Hity and Rafah Adnan Najm, "The Phenomenon of the Hidden Economy and Money Laundering, and the Effects: A Study in a Selected Group of Countries for the Period (1989-2008)", *Journal of Administration and Economics*, Issue 81, 2010, p. 85.

[3] Ben Naki Sofiane, "The Crime of Money Laundering between Electronic Media and Criminalization Texts", *Journal of Legal and Political Research*, Vol. 3, Issue 2, p. 161.

[4] Mokhtar Ben Gouia, *Op. cit.*, p. 61.

[5] Cherifa Hania, "Modern Methods of Organized Crime: Money Laundering as a Model", *Journal of Law and Human Sciences*, Vol. 12, Issue 2, 2019, p. 18.

border controls on the movement of capital. Money laundering professionals have exploited economic globalisation as a fertile ground for increasing As a fertile field for increasing its activity, it has benefited from various modern techniques, the freedom of the global market, the emergence of multinational corporations, and the accompanying technological developments to develop their ideas and diversify the mechanisms of money laundering and corruption[1]. Accordingly, we will address (first section) the economic effects of the crime of money laundering, while in contrast the Algerian legislator has confronted this crime by establishing a set of legal texts similar to international efforts to suppress this economic crime, which we address in (the second section).

Section One : The economic effects of the crime of money laundering

We will address this section in three subsections. We allocate the first subsection to the rise in the inflation rate and the decline in income, savings, and currency value ; in (subsection two) we discuss the collapse of financial markets and the impact on the effectiveness of macroeconomic policies; and (subsection three) deals with the corruption of the investment climate and the distortion of competition.

Subsection One : The rise in the inflation rate and the decline in income and currency value

The value of the national currency falls as people turn to hard currencies, and national currencies decline further; this directly affects the public treasury and the country's foreign exchange market because it creates economic and financial crises caused by currency speculation.[2]

Section Two: The Impact of Financial Market Collapse on Economic Policies

The crime of money laundering leads to the collapse of financial markets through the purchase of securities from the stock exchange to complete stages of money laundering, not for investment purposes, in addition to affecting the state's economic policies[3]. This happens because the operations of the agencies responsible for market oversight are affected in performing their role in supervision and control, since they often do not know the source of these funds, especially in developing countries, where illicit activities prevent officials from serving the state's economic policy due to their lack of access to the most accurate necessary market information.

Section Three: Deterioration of the Investment Climate and Distortion of Competition

Given that criminal networks involved in money laundering are unconcerned with the economic viability of any investment they undertake, this inevitably leads to the

---

[1] Mokhtar Ben Gouia, *Op. cit.*, p. 61.

[2] Arezil Kahina, "The Impact of the State's Economic Activity by the Crime of Money Laundering", *Researcher Journal for Academic Studies*, Vol. 6, Issue 1, 2019, p. 142.

[3] Mokhtar Ben Gouia, *Op. cit.*, p. 62.

corruption of the investment climate, since these networks focus on creating cover through placement operations that legitimize these funds. All of these factors spoil the investment environment [1]and lead to distortion of competition within the financial sector by artificially and formally maintaining the activity of some weak financial institutions, which are easily influenced by the temptations of money laundering gangs, turning them into venues for laundering money and unfair competitors to other institutions.[2]

Requirement Two : Legal Mechanisms for Combating Money Laundering in Algerian Legislation

Given the seriousness of the crime of money laundering for the national economy, Algeria has made considerable efforts to block the movement of illicit funds and facilitate their detection. Accordingly, we will address the efforts made by the Algerian state to combat money laundering in (First Subsection), while we reserve (Second Subsection) for the legal and regulatory texts enacted by the legislator to confront any harm to the Algerian economy.

Subsection One : National Efforts to Suppress Money Laundering

Algeria has made significant efforts to combat money laundering by developing banking supervisory systems that work to block the flow of illicit funds and facilitate their detection. Below we present the efforts Algeria has dedicated to confronting the crime of money laundering.

First : Financial Intelligence Processing Unit

Algeria established the Financial Intelligence Processing Unit by Executive Decree No. 02-127,[3] in response to the United Nations Security Council. Among its duties is to issue any report of suspicion regarding all money laundering operations by collecting information that allows the detection of the source of the funds. The Financial Intelligence Processing Unit is considered one of the most important mechanisms Algeria has adopted since it ratified numerous international conventions not only on combating money laundering and terrorist financing, but its remit also extends to establishing the various preventive procedures and measures related thereto. Therefore, the legislator equipped the financial intelligence unit with a set of powers

---

[1] Nabila Arkoub and Mohamed Boucha, *Op. cit.*, p. 114.

[2] Mokhtar Ben Gouia, *Op. cit.*, p. 63.

[3] Encompassing the Establishment, Organization, and Functioning of the Financial Intelligence Processing Unit, dated April 7, 2002, (*Official Gazette* issued on April 7, 2002, Issue 23, p. 16), amended and supplemented.

and competencies so that it can perform its tasks both at the international and national levels.[1]

Second : The Banking Committee

The monetary and banking sector is considered one of the areas with the highest rates of money-laundering risk because it is the natural environment for legitimate financial and banking operations. Perpetrators often resort to it to channel criminal proceeds and suspicious funds through financial and banking institutions to finance their sources ; banks are commonly exploited to launder money by methods that make them appear legitimate. Therefore, the applicable legislation and regulations require financial and banking institutions, including banks and other institutions that provide financial services, to implement measures and systems related to preventing money laundering.[2]

To ensure prevention of money laundering, the Algerian legislator established the regulatory authority in the banking and financial field, referred to in the core law as the Banking Committee, and tasked it, pursuant to Article 10 bis 3 of the Law on Prevention of Money Laundering and Terrorist Financing, with supervising banks and financial, banking, and monetary institutions, particularly regarding the adoption and implementation of measures related to preventing acts constituting the crime of money laundering. It was also granted the authority to impose disciplinary sanctions provided by law in case supervised financial institutions fail to meet their obligations.[3]

Third: The National Authority for the Prevention and Fight against Corruption

Presidential Decree No. 06-413 defined the composition of the National Authority for the Prevention and Fight against Corruption, its organization and operating procedures. This authority carries out a range of tasks and powers that are generally preventive measures. These measures vary between advisory measures and administrative measures. Among the advisory measures carried out by the authority are the following:

1- Proposing a comprehensive policy to prevent the phenomenon of corruption in a way that reflects transparency and accountability in the management of public funds.

2- Ensuring the strengthening of coordination between sectors and cooperation with other bodies concerned with combating acts of corruption.[4]

---

[1] Habbache Djamal, "The Powers of Financial Intelligence in Confronting the Crime of Money Laundering", *Journal of Administration and Development for Research and Studies*, Vol. 10, Issue 02, p. 66.

[2] Mohamed El-Wafi and Mayo Wais, "The Banking Commission as a Mechanism for the Prevention of Money Laundering", *Tobna Journal for Academic Scientific Studies*, Vol. 8, Issue 1, p. 62.

[3] *Ibid.*, p. 63.

[4] Ramzi Houhou, "The National Authority for the Prevention and Fight Against Corruption", *Journal of Judicial Jurisprudence*, Issue 5, pp. 76-77.

As for the administrative measures practiced by the National Authority for the Prevention and Fight against Corruption, the most important measure the authority takes against acts of corruption is receiving declarations of assets belonging to employees. However, the legislator limited the category of employees required to declare their assets before the authority to a specific group, consisting of the presidents and members of elected popular councils, the highest members of parliament, the President and members of the Constitutional Council, the Governor of the Bank of Algeria, ambassadors and consuls, governors, judges and their referral to the First President of the Supreme Court.[1]

Branch Two: Legal and legislative texts for combating the crime of money laundering

Given the seriousness of the crime of money laundering for the national economy, as well as its international repercussions, Algeria has worked to enshrine legal rules to confront any harm to the national economy. Among these are the legal and regulatory texts to combat and prevent money laundering and intensify efforts, which we address below:

Order No. 69-22 (Official Gazette No. 43, 1996), whose Article One provides: "The following shall be considered violations of the foreign exchange and capital movement legislation and regulations to and from abroad by any means:" false declarations, failure to comply with declaration obligations, failure to repatriate funds to the homeland, failure to observe the prescribed procedures or required formalities, failure to obtain conditional authorizations, or failure to meet the conditions attached to those authorizations.

- Presidential Decree No. 02-15 concerning the ratification of the United Nations Convention against Transnational Organized Crime.
- Law 05-01, in which Chapter Two addresses how to prevent this crime by relying on legal provisions regulating banking operations and financial institutions, particularly concerning the source of customers' funds they deal with. Chapter Three is devoted to detecting sources of laundered funds, and Chapter Five defines the forms of penalties applicable to those responsible for suspicious financial transactions that lead to money laundering. This step aimed to sever the link between legitimate commercial funds and funds resulting from criminal acts.
- Executive Decree No. 06-348.[2] In the context of amending and completing the Penal Code, a new sixth repeated section on money laundering was added to the third

[1] *Ibid.*, p. 78.

[2] Encompassing the Extension of the Territorial Jurisdiction of Certain Courts, Public Prosecutors, and Investigating Judges, dated October 5, 2005, (*Official Gazette* issued on October 8, 2005, Issue 63), p. 29.

chapter on felonies and misdemeanors against property, in Articles 389 bis to 389 bis-7, addressing the definition of the act of money laundering and the prescribed penalties, as well as ancillary sanctions, and including penalties related to legal persons.

- International conventions to combat the crime of money laundering: Algeria ratified several international conventions in this regard to strengthen cooperation at the international level. It ratified the United Nations Convention concluded on 19/12/1988, the United Nations Convention against Transnational Organized Crime adopted by the UN General Assembly on 15/11/2000, the United Nations Convention against Corruption adopted by the UN General Assembly in Merida in October 2003, as well as the Arab Convention to Combat Money Laundering drafted in Cairo on 12 December 2010, which aims to reinforce measures to combat money-laundering crimes and to strengthen Arab cooperation in this field. [1]

Conclusion:

From this study we conclude that the crime of money laundering is one of the most serious economic crimes, as it combines economic crime and cybercrime. It is an organized transnational crime that has affected the national economy as well as the economies of countries internationally, especially developing countries. Despite the legal mechanisms enacted by the legislator to curb this crime, it still faces some challenges. Accordingly, we reached the following findings:

First : Findings

1- Money laundering is considered one of the most dangerous crimes because it combines economic crime and cybercrime, and its danger is manifested in being an organized and transnational crime.

2- Money laundering has affected the economies of countries, especially developing countries.

3- The development of information and communication technology has contributed to the growth of money laundering through digital means, making it more difficult to identify its perpetrators since it relies on secret and encrypted accounts and numbers; all this inevitably affects the detection of perpetrators and the prevention of such crimes.

Accordingly, we recommend the following:

1- We call for the necessity of issuing a specific law on electronic economic crimes and addressing the criminal acts that constitute money laundering through digital means.

2- Grant judicial investigative authority to bank and financial institution employees to facilitate monitoring of banking financial transactions, and take the

[1] Nabila Arkoub and Mohamed Boucha, *Op. cit.*, p. 119.

necessary legal measures for these employees to possess expertise and competence in this field.

Sources and references:

1- بعجي عبد النور، أثر تكنولوجيا الاعلام والاتصال على جريمة تبييض الأموال، المجلة النقدية للقانون والعلوم السياسية، كلية الحقوق والعلوم السياسية، جامعة تيزي وزو، المجلد7، العدد01، سنة2022، ص 1049 .

1- Baadji Abdennour, "The Impact of Information and Communication Technology on the Crime of Money Laundering", *Critical Journal of Law and Political Science*, Faculty of Law and Political Science, University of Tizi Ouzou, Vol. 7, Issue 01, 2022, p. 1049.

2- وهيبة عبد الرحيم، دراسة جريمة غسيل الأموال عبر القنوات الالكترونية، مجلة الحقوق والعلوم الإنسانية، دراسات اقتصادية، ص 2

2- Wahiba Abderrahim, "A Study of the Crime of Money Laundering through Electronic Channels", *Journal of Law and Human Sciences*, Economic Studies, p. 2.

3- مجاهدي إبراهيم، الآثار القانونية لجريمة تبييض الأموال، المجلة الجزائرية للعلوم القانونية والسياسية، ص 18.

3- Moudjahidi Brahim, "The Legal Effects of the Crime of Money Laundering", *Algerian Journal of Legal and Political Sciences*, p. 185.

4- احسام الدين محمد أحمد، شرح القانون المصري رقم 80 لسنة 2002، المتضمن مكافحة غسل الأموال في ضوء الاتجاهات الحديثة، دراسة مقارنة، دار النهضة العربية، القاهرة، 2003، ص 89 .

4- Hossam El-Din Mohamed Ahmed, *Explanation of the Egyptian Law No. 80 of 2002, concerning Anti-Money Laundering in Light of Modern Trends: A Comparative Study*, Dar Al-Nahda Al-Arabia, Cairo, 2003, p. 89.

5- مجاهدي إبراهيم، الطبيعة القانونية لجريمة تبييض الأموال، مجلة البحوث والدراسات القانونية والسياسية، العدد الثالث، ص 15 .

5- Moudjahidi Brahim, "The Legal Nature of the Crime of Money Laundering", *Journal of Legal and Political Research and Studies*, Issue 3, p. 15.

6- نبيلة عرقوب ومحمد بوشة، جريمة تبييض الأموال في الجزائر والجهود المبذولة لمكافحتها، مجلة الاقتصاد والتنمية البشرية، المجلد 11، العدد 3، ص 110 .

6 Nabila Arkoub and Mohamed Boucha, "The Crime of Money Laundering in Algeria and the Efforts Made to Combat It", *Journal of Economics and Human Development*, Vol. 11, Issue 3, p. 110.

7 المتعلق بالوقاية من تبييض الأموال وتمويل الإرهاب ومكافحتها، (الجريدة الرسمية الصادرة بتاريخ 9 فيفري 2005، العدد 11، ص 4

7- Relating to the Prevention and Combating of Money Laundering and Terrorist Financing, (*Official Gazette* issued on February 9, 2005, Issue 11, p. 4).

8- علي عبد الله شاهين، الاستراتيجيات المصرفية لمكافحة عمليات غسيل الأموال وسبل تطويرها، دراسة تطبيقية على المصارف العاملة في فلسطين، مجلة الجامعة الإسلامية، فلسطين، المجلد الثاني عشر، العدد الثاني، جوان 2009، ص 646.

8 Ali Abdullah Shaheen, "Banking Strategies to Combat Money Laundering Operations and Ways to Develop Them: An Applied Study on Banks Operating in Palestine", *Islamic University Journal*, Palestine, Vol. 12, Issue 2, June 2009, p. 646.

9 إبراهيم عيد نايل، المواجهة الجنائية لظاهرة غسيل الأموال في القانون الجنائي الوطني والدولي، دار النهضة العربية، القاهرة، 1999، ص 7.

9- Ibrahim Eid Nael, *The Criminal Confrontation of the Phenomenon of Money Laundering in National and International Criminal Law*, Dar Al-Nahda Al-Arabia, Cairo, 1999, p. 7.

10- هشام السيد، مكافحة غسيل الأموال وتمويل الإرهاب، جهود دولة قطر، سنة 2020، ص 21

10 Hisham El-Sayed, *Combating Money Laundering and Terrorist Financing: Efforts of the State of Qatar*, 2020, p. 21.

11 هاني عيسوي السبكي، غسيل الأموال، دراسة في ضوء الشريعة الإسلامية وبعض التشريعات الدولية والإقليمية والوطنية، دار الثقافة للنشر والتوزيع، عمان، 2015، ص 21

11- Hani Eissawi El-Sobky, *Money Laundering: A Study in Light of Islamic Sharia and Some International, Regional, and National Legislations*, Dar Al-Thaqafa for Publishing and Distribution, Amman, 2015, p. 21.

12- فتيحة قندوز، دراسة حول مراحل وأساليب جريمة تبييض الأموال، المجلة الجزائرية للأبحاث والدراسات، المجلد 6، العدد 2، 2023، ص 384 .

12 Fatiha Guendouz, "A Study on the Stages and Methods of the Crime of Money Laundering", *Algerian Journal of Research and Studies*, Vol. 6, Issue 2, 2023, p. 384.

13 المختار بن قوية، جريمة تبييض الأموال بين الأساليب التقليدية والتكنولوجيات الحديثة، المجلة المتوسطية للقانون والاقتصاد، المجلد 9، العدد 1، سنة 2024، ص 60 .

13- Mokhtar Ben Gouia, "The Crime of Money Laundering between Traditional Methods and Modern Technologies", *Mediterranean Journal of Law and Economics*, Vol. 9, Issue 1, 2024, p. 60.

14- ماينو جيلالي، الاستخدام الاجرامي للعملات المشفرة، مجلة القانون والعلوم السياسية، المجلد 6، العدد 2، ص 142 .

14 Maino Djilali, "The Criminal Use of Cryptocurrencies", *Journal of Law and Political Science*, Vol. 6, Issue 2, p. 142.

15 أحمد حسين الهيتي ورفاه عدنان نجم، ظاهرة الاقتصاد الخفي وغسيل الأموال، والآثار، دراسة في مجموعة من البلدان المختارة للمدة من (1989-2008)، مجلة الإدارة والاقتصاد، العدد 81، سنة 2010، ص 85 .

15- Ahmed Hussein Al-Hity and Rafah Adnan Najm, "The Phenomenon of the Hidden Economy and Money Laundering, and the Effects: A Study in a Selected Group of Countries for the Period (1989-2008)", *Journal of Administration and Economics*, Issue 81, 2010, p. 85.

16- بن نقي سفيان، جريمة غسيل الأموال بين الوسائط الالكترونية، والنصوص التجريمية، مجلة الأبحاث القانونية والسياسية، المجلد 3، العدد 2، ص 161 .

16 Ben Naki Sofiane, "The Crime of Money Laundering between Electronic Media and Criminalization Texts", *Journal of Legal and Political Research*, Vol. 3, Issue 2, p. 161.

17 شريفة هنية، الأساليب الحديثة للإجرام المنظم، تبييض الأموال نموذجا، مجلة الحقوق والعلوم الإنسانية، المجلد 12، العدد 2، سنة 2019، ص 18 .

17- Cherifa Hania, "Modern Methods of Organized Crime : Money Laundering as a Model", *Journal of Law and Human Sciences*, Vol. 12, Issue 2, 2019, p. 18.

18- الكاهنة ارزيل، تأثر النشاط الاقتصادي للدولة بجريمة تبييض الأموال، مجلة الباحث للدراسات الأكاديمية، المجلد 6، العدد 1، سنة 2019، ص 142 .

18 Arezil Kahina, "The Impact of the State's Economic Activity by the Crime of Money Laundering", *Researcher Journal for Academic Studies*, Vol. 6, Issue 1, 2019, p. 142.

19 يتضمن انشاء خلية معالجة الاستعلام المالي وتنظيمها وعملها، المؤرخ في 7 أفريل 2002، (الجريدة الرسمية الصادرة بتاريخ 7 أفريل 2002، العدد 23، ص 16)، المعدل والمتمم .

19- Encompassing the Establishment, Organization, and Functioning of the Financial Intelligence Processing Unit, dated April 7, 2002, (*Official Gazette* issued on April 7, 2002, Issue 23, p. 16), amended and supplemented.

20- حباش جمال، صلاحيات الاستعلام المالي في مواجهة جريمة تبييض الأموال، مجلة الإدارة والتنمية للبحوث والدراسات، المجلد 10، العدد 02، ص 66 .

20 Habbache Djamal, "The Powers of Financial Intelligence in Confronting the Crime of Money Laundering", *Journal of Administration and Development for Research and Studies*, Vol. 10, Issue 02, p. 66.

21 المتعلق بالوقاية من تبييض الأموال وتمويل الإرهاب ومكافحتها، (الجريدة الرسمية الصادرة بتاريخ 9 فيفري 2005، العدد 11، ص 4)، المعدل والمتمم .

21- Relating to the Prevention and Combating of Money Laundering and Terrorist Financing, (*Official Gazette* issued on February 9, 2005, Issue 11, p. 4), amended and supplemented.

22- يعدل ويتمم القانون 05-01، المتعلق بالوقاية من تبييض الأموال وتمويل الإرهاب ومكافحتها، المؤرخ في 15 فيفري 2005، (الجريدة الرسمية الصادرة بتاريخ 15 فيفري 2015، العدد 8، ص 4) .

22 Amending and Supplementing Law 05-01, Relating to the Prevention and Combating of Money Laundering and Terrorist Financing, dated February 15, 2005, (*Official Gazette* issued on February 15, 2015, Issue 8, p. 4).

23 يتعلق بإجراءات حجز أو تجميد الأموال في إطار الوقاية من تمويل الإرهاب ومكافحته، المؤرخ في 18 ماي 2015، (الجريدة الرسمية الصادرة بتاريخ 13 ماي، العدد 24، ص 8) .

23- Relating to the Procedures for Seizing or Freezing Funds in the Framework of Preventing and Combating Terrorist Financing, dated May 18, 2015, (*Official Gazette* issued on May 13, Issue 24, p. 8).

24- محمد الوافي ومايو ويس، اللجنة المصرفية كآلية للوقاية من تبييض الأموال، مجلة طبنة للدراسات العلمية الأكاديمية، المجلد 8، العدد 1، ص 62 .

24 Mohamed El-Wafi and Mayo Wais, "The Banking Commission as a Mechanism for the Prevention of Money Laundering", *Tobna Journal for Academic Scientific Studies*, Vol. 8, Issue 1, p. 62.

25 رمزي حوحو، الهيئة الوطنية للوقاية من الفساد ومكافحته، مجلة الاجتهاد القضائي، العدد 5، ص 76-77 .

25- Ramzi Houhou, "The National Authority for the Prevention and Fight Against Corruption", *Journal of Judicial Jurisprudence*, Issue 5, pp. 76-77.

26- يتضمن تمديد الاختصاص المحلي لبعض المحاكم ووكلاء الجمهورية وقضاة التحقيق، المؤرخ في 5 أكتوبر 2005 .

26 Encompassing the Extension of the Territorial Jurisdiction of Certain Courts, Public Prosecutors, and Investigating Judges, dated Oct. 5, 2005.