

What are the appropriate approaches to seek accountability for human rights violations perpetrated in the context of illicit financing?

Addressing human rights violations related to illicit financing, particularly in the context of funding mercenaries, requires a multi-faceted approach involving international law, diplomacy, and multilateral cooperation between states and international organizations, as well as the inclusion of non-state actors (NSAs). Some appropriate approaches may include:

- The use of existing international legal frameworks such as the International Criminal Court (ICC) and international human rights conventions to hold states and individuals accountable for human rights violations related to illicit financing.
- The implementation of targeted sanctions and arms embargoes against states and entities found to be financing mercenaries or other actors involved in human rights abuses. This can help deter such activities and hold responsible parties accountable.
- The adoption of measures aiming at promoting transparency and accountability in financial transactions through measures such as enhanced due diligence, financial monitoring, and reporting requirements. This can help detect and prevent illicit financing activities that contribute to human rights violations.
- The strengthening of cooperation between states, international organizations, and law enforcement agencies to investigate and prosecute cases of illicit financing and human rights abuses. This may involve sharing intelligence, conducting joint investigations, and extraditing individuals involved in illicit financing schemes.
- Further and renovated support to civil society organizations in monitoring, documenting, and advocating against human rights violations related to illicit financing. Civil society can play a crucial role in raising awareness, gathering evidence, and pressuring governments and international bodies to take action.

As for the level of accountability for financing mercenaries, while holding states accountable for financing mercenaries can be challenging due to issues of sovereignty and diplomatic relations, there have been instances where states have faced international condemnation and sanctions for supporting mercenary activities in other countries.

Individuals and organizations involved in financing mercenarism can be prosecuted under domestic laws or international legal mechanisms for crimes such as war crimes, crimes against humanity, or violations of international humanitarian law.

Challenges in holding states/actors responsible for financing mercenarism include firstly a lack of evidence, as obtaining sufficient evidence to prove state involvement in financing mercenaries can be difficult due to the clandestine nature of such activities and the involvement of multiple actors. Secondly, Political considerations, including geopolitical alliances and economic interests, can hinder efforts to hold states accountable for financing mercenaries, as powerful states may protect their allies or turn a blind eye to their activities. Thirdly, jurisdictional issues may arise when prosecuting individuals or organizations involved in financing mercenarism, especially if they operate across multiple jurisdictions or in areas with weak governance and law enforcement.

Lastly, limited cooperation between states and international organizations can impede efforts to investigate and prosecute cases of financing mercenarism, particularly in regions where there is a lack of trust and cooperation between governments.

To what extent are States funding mercenaries and related actors? What is being funded, including salaries, weapons, material, logistical support etc? How this happens, and what other agents are involved?

State entities may be involved in funding mercenary groups and related actors on all levels. Each state is its case, with domestic legislation and regulations that may limit or, the opposite, be broadly permissive regarding funding and supporting the activities of private military companies (PMC).

States can be involved in funding mercenary groups with multiple levels of intensity and legitimacy. This varies profoundly from State to State; the stronger the democratic structure of a state, the less (generally) it will be involved in financially supporting PMCs in a non-transparent manner. In countries where the rule of law applies, the actors involved are primarily public and private institutions and companies that operate in the market under the dictates of regulations and laws. This does not mean that there is no risk of criminal infiltration of state apparatuses or that there are no forms of direct or indirect funding to private military companies and other types of armed groups. However, in these cases, institutions and law enforcement, together with civil society exercise an effective role in countering them. In non-democratic countries, with “grey” institutional apparatuses or with high levels of corruption or crime all of this is amplified. More common are infiltrations by transnational criminal organizations that may play an important role in logistics, arms acquisition, and financial transactions designed to channel money flows.

Regarding the acquisition of equipment and armaments, there are legal avenues that guarantee excellent forms of procurement but are often, under the PMC's country laws, limited to light armaments and personal protective devices for personnel. What cannot be procured through legal or transparent routes is often acquired by exploiting pre-existing criminal channels, which feed the illegal arms market. The proliferation of conflicts, particularly in the Middle East and Africa has led to decades-long flows of war material to those areas of the world. Prolonged conflict situations have driven the development of parallel markets and illicit trafficking of all kinds (drugs, raw materials, human beings), which make it easy for those with the appropriate economic resources to purchase war materials. In every conflict, a percentage of the war material that flows in as support from third countries or already belonging to local armed groups ends up in the arms black market. Consider the amount of military equipment left on Afghan territory and the impossibility of effectively keeping track of it after the coalition withdrawal. This risk is also present in the Russian-Ukrainian conflict, in which there is a large amount of military equipment flowing from the West to Ukraine and from North Korea and Iran to Russia. Crisis and conflict situations fuel the arms market, making the tracking and security of assets and equipment even more complex. The digitization of society and an increasingly interconnected world has made it even easier to match supply and demand in the illicit trade. The ability to use digital currencies and cryptocurrencies that are intangible and difficult to track has greatly simplified both the operation of the illicit market and the ability of state entities to intervene in the funding of PMCs.

Logistical support for a PMC from a state can be provided in different ways and at different levels of involvement. The private market guarantees the ability to mobilize and transport a PMC's personnel

and vehicles. These can be paid directly by the company by taking advantage of the contract order placed. However, government entities have significant opportunities to simplify the logistics of a PMC even without direct financial help. For example, approval to use a military base for a deployment to the area of operations provides a significant advantage to the PMC that can arrive in the country using an organized, serviced, and secure facility as an entry point. In general, a state's military logistics can be exploited in multiple ways without leaving a paper trail and can act as a boost to PMC operations. The United States has often offered its military surplus for sale, with traceable sales. Buyers of the largest lots often include local police departments and sometimes even private military companies. However, this concerns a disposal, a sale that is traceable and within the parameters of existing legislation within the country. Extremely different is the case of the Russian Federation, which has transferred large lots of military equipment to Wagner and other smaller companies.

In Ukraine, Wagner is deployed in a conventional state-vs-state conflict. Essentially, it has become an independent spin-off of the Russian armed forces. Its actions stand in contrast with many Western PMCs, which are involved in post-conflict restoration, or low- to medium-intensity asymmetrical conflicts.

In this case, there was also a weakening of the regular forces in favour of what remains, on paper, a private company. The type of assets transferred from the Russian Federation also has its importance, and in the case of Wagner, real war materiel was transferred: armoured vehicles such as MBT (Main Battle Tank) and IFV (Infantry fighting vehicle), several artillery models and MLRS (Multiple Launch Rocket System), along with air defence systems. In the case of Wagner, it was even air assets that were transferred from the regular forces to the company. The transferred aircraft were not limited to passenger or cargo carriers but also involved fighters and ground attack aircraft.

Russia and the Wagner Group still have a very close connection. Unlike other private companies, Wagner depends upon economic and military resources that overlap with the Russian armed forces. In many cases, the personnel trained to operate the equipment and vehicles provided by the Russian Federation, move directly from the Russian army or air force into Wagner Group ranks. The personnel transfer represents another means of financial aid to the Wagner Group, cutting costs on specific and technical training. The Kremlin's extensive use of Wagner vehicles, equipment and personnel led to rapid expansion, to the point where Wagner employed over 50,000 personnel. Numbers that are analogous to a small country's military apparatus.

In addition to material forms of funding such as equipment, logistical support, vehicles, weapons, and ammunition, there are also forms of support that represent an expenditure from the state's economic point of view and that are not reflected in tangible goods but in information. The very information that a state's security agencies can transfer in part or in full to mercenary forces on the ground is central. Providing intelligence to mercenary groups brings them ever closer to true armed forces at the disposal of a state, which through their use removes the burden of responsibility attached to it.

Wagner in the conflict in Ukraine made extensive use of intelligence from the Russian state apparatus, going to operate on the ground in coordination with regular forces of the Russian Federation. The issue of intelligence information constitutes a red line that is difficult to prove and has already been widely crossed in several cases. The case of PMC Wagner differs from so many other cases in the intentions of the central government of the Russian Federation to state the group. The Wagner Group enjoyed exceptional forms of funding, direct, indirect and in the form of information. This has enabled the exponential growth of the company, even though it has, de facto, only one client: the Russian government. The Wagner Group is part of a broader strategy of hybridization of conflict, which, through deniability that is not plausible, allows for the deployment in areas of interest of a force similar in every way to Russian conventional forces but differing in being formally private.