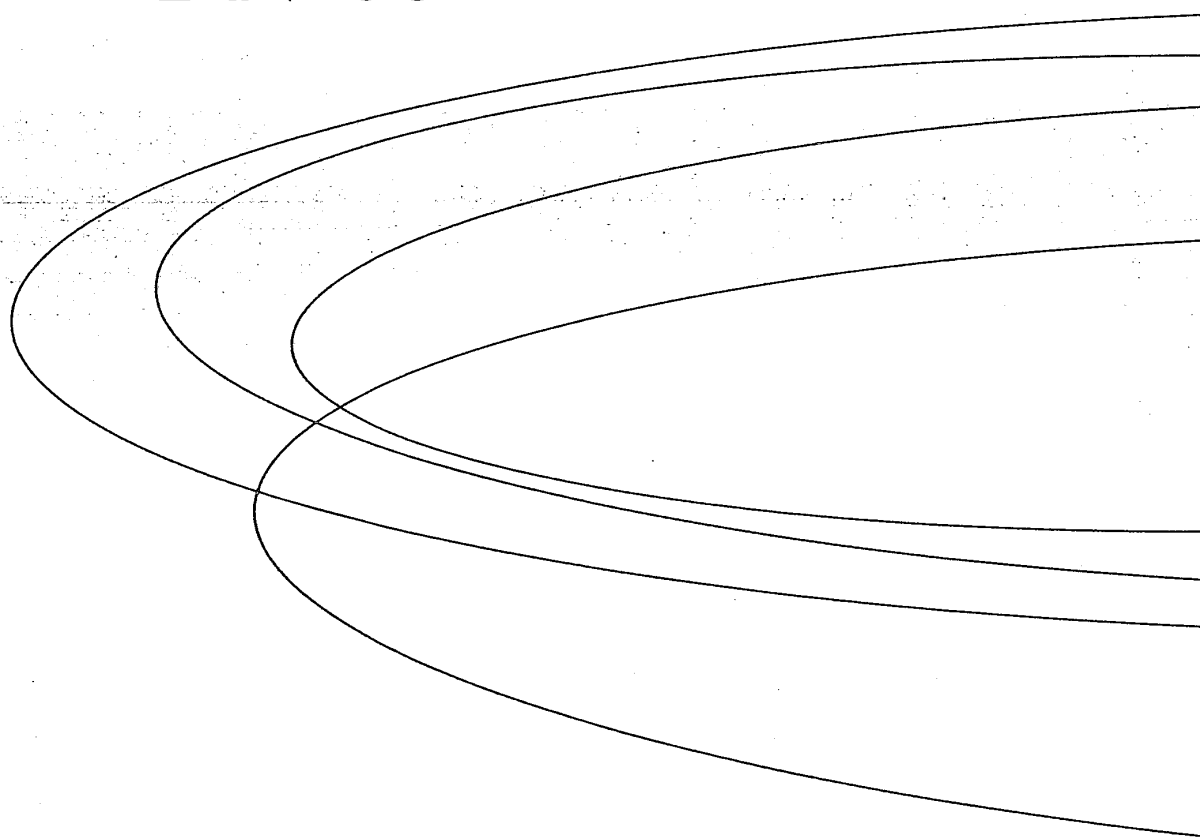


crimes – its predicate offences – is yet another sign of the trend towards multi-crime of modern OC. At the same time, the existence of experts providing their services to other OC groups is evidence of the increasing commercial attitude described above. Many are the methods used by OC groups to launder money, and in the last years technology is becoming

an important facilitating factor. The common denominator of the most complex and effective money laundering scheme is the international dimension. As in other criminal fields, also in money laundering, OC groups display peerless skill in managing the international dimension, while national and international authorities are constantly struggling with it.

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4. THE ORGANISED CRIME LANDSCAPE



PAGINA BIANCA

4. THE ORGANISED CRIME LANDSCAPE

In line with the 2007 OCTA, much focus is provided for the geographical dimension of OC in the EU, to complement the relationship between crimes and criminals and provide a context for their whereabouts. Four regions of the EU will be analysed. This will be followed by an assessment of the dynamic relationship between the regions captured in the idea of criminal hubs.

4.1. The North-West region: The Atlantic region

The Atlantic region encompasses more or less The Netherlands, Belgium, Luxembourg, the UK, Ireland, the north-western part of Germany and the north of France. Specific particularities of the region include the major transport infrastructures, well established ethnic communities of reference, different tax regimes, geographical proximity to various Member States and a flourishing economy which offers possibilities that can and are exploited by OC.

The North-West region, characterised by enormous transport facilities, plays one of the main roles in drug trafficking and even in drug production. The Netherlands is Europe's main secondary distribution centre for both cocaine (originating from South America) and heroin (originating from Turkey) and is together with Belgium the world's primary producer of

ecstasy. The well developed transport network in the Atlantic region acts as the main facilitating factor for drug trafficking and offers possibilities for illegal immigration and THB. World class harbours such as Rotterdam, Antwerp, Hamburg and Dover act as major maritime gateways to the EU while a well developed infrastructure for air, waterborne, rail and road traffic facilitates any kind of transport through this region.

A second important facility for OC within this region consists of the exploitation of well established ethnic communities. During recent decades, Turks have established themselves in



various Western countries and connections have been developed between Turkish OC groups in Western Europe and Turkey. However, the exploitation of Turkish or Kurdish communities in Belgium, The Netherlands, Germany, the UK and France particularly facilitates Turkish OC in the Atlantic region.

The exploitation of Colombian communities in the UK facilitates cocaine trafficking into the EU and an emerging risk in other countries of the Atlantic region may facilitate cocaine trafficking even further. The networks can exploit these communities to disguise their drug trafficking activities

Chinese OC groups involved in several crime domains exploit the existence of a growing Chinese community in the Atlantic region.

Some Moroccan OC groups, well established amongst others in Belgium and in The Netherlands, as well as some groups with Dutch nationals, are specialised in the importation of Moroccan hashish via Spain towards The Netherlands.

The geo-strategic position of the Atlantic region facilitates different forms of OC. The North-West region is not only from a pure geographical point of view an important gateway to the EU but has also essential cultural and historical links with different regions of the world. The countries of the Atlantic region were important colonial powers in history. For example, small overseas possessions in the Caribbean play an important role in transatlantic cocaine trafficking.

The geographical proximity to various Member States in the Atlantic region offers another possibility for OC. Within the continental part in particular, people are free to move within this

extensive area and do not have to deal with controls at the border. Law enforcement on the other hand is still to a large extent limited to operate within its own borders. Itinerant OC groups involved in large-scale burglaries are highly exploiting this situation. Itinerant OC groups originating from the former Yugoslavia are active all over the world but the geographical proximity to various Member States and the well developed transport and road infrastructure makes it even easier in the Atlantic region to cross borders in a limited amount of time. These OC groups are usually non-EU-based.

The UK and Ireland are highly attractive destinations for illegal immigrants and OC groups who facilitate illegal immigration. Both countries are favourite destinations because of a flourishing economy and consequent demand for workers, particularly in low skilled sectors, and the image of easy access to health, welfare and education systems. Ireland, historically a country experiencing high levels of emigration, has only in the nineties become a destination for migrants. Significant numbers of people are now attempting to enter Ireland. Nigerian OC groups for generations present in amongst others the UK and The Netherlands and responsible for various forms of fraud are now also discovered in Ireland.

In both the UK and Ireland, educational establishments gain in importance as facilitating factors in case of illegal immigration. This allows the use of genuine documents instead of falsified documents to apply for access to a school. Recently also bogus schools, established by the OC group themselves, help obtaining the VISA applications by providing the necessary documents.

Different tax levels, attributed to the same type of products encourage criminals to

involve themselves in the lucrative business of tax fraud, and high levels of taxation in Ireland and the UK provides opportunities for smuggling. These suspects are mainly indigenous groups, Irish and UK nationals. Missing Trader Intra-Community fraud (MTIC) exploits the free movement of goods between the Member

States. The UK is highly affected by carousel fraud, a particular form of MTIC fraud. The goods involved, typically small and expensive items which can easily be packed and transported in bulk such as mobile phones, computer chips etc. can go round the carousel many times before the fraud is discovered.

4.2. The North-East region: Approximating the Baltic Sea region

The criminal dynamics of the Baltic countries are mostly influenced by their interposition between countries supplying cigarettes and synthetic drugs precursors and significant destination countries for cigarettes, synthetic drugs, cocaine and hashish. The North-East criminal hub identified by the 2007 OCTA presents attractive opportunities to organised crime from the Baltic region but also to non-indigenous OC groups originating from the neighbouring countries such as Russia, Belarus, and Ukraine.

Additionally, an important feature of the region is the existence of borders between the EU and Russia. This border separates two very different types of legislation and makes cross-border law enforcement cooperation sometimes lengthy and cumbersome. Therefore the border can also be seen to facilitate certain OC groups and markets. A further facilitator for trade fraud in this region is the large volume of

transports across the borders and other vulnerabilities of the logistics sector.

The expansion of the Schengen area into the three Baltic States and Poland will have certain implications on the region especially in the criminal markets of facilitation of illegal immigration, drug smuggling and property crime.

The new Schengen countries will experience a new type of pressure on their eastern borders as they became the external Schengen borders. For example, increased criminal activities in the border areas between Latvia and Russia and Latvia and Belarus are foreseen as well as the creation of new transit channels into the EU.

Oriented clusters are relatively characteristic to the North-East region. Due to the relatively strong representation of EU-based oriented clusters in the region it can be suggested that non-EU-based groups need to either co-operate with local, and in many cases oriented structures in order to access the criminal markets, or develop certain characteristics of EU-based groups by evolving through intermediary situations (that is, the second generation development).

Certain regional OC groups are becoming 'bridging' groups that procure certain goods or services to specific parts of the regional market in cooperation with or supplied by the Lithuanian OC groups. Estonian OC groups co-operating with Lithuanian OC have a significant role in smuggling certain drugs to Estonia as well as in the production of synthetic drugs and the further distribution of these to the Finnish market. Their Finnish counterparts, Outlaw Motorcycle Gangs (OMCG) and the networks co-operating with them, are responsible for the wholesale and distribution in Finland. Additionally, Lithuanian OC groups have contacts with Russian OC groups supplying BMK facilitated



by the use of bogus companies. Polish OC groups participate in the smuggling of the precursor while Latvian OC groups secure the cross-border shipments.

Immigration processes from Lithuania and Poland to Western Europe will strengthen the creation of ethnic communities, (the fringes of) which can be exploited for support, work force, camouflage, and proceeds (extortion, kidnap, etc.) by Lithuanian and Polish OC groups. This could further strengthen the role of these OC groups in the destination markets of Western European countries.

The North-East region of the EU is both a transit area and an important destination market

for various commodities ranging from smuggled and counterfeit cigarettes to synthetic drugs. Lithuanian OC groups are acting as important traffickers in many criminal markets in various geographical locations, often also beyond the borders of the North-East region. In some cases Lithuanian OC groups co-operate and supply goods to some Polish, Latvian and Estonian OC groups and OMCG and related groups. These groups can then act as 'bridging groups', procuring goods from the global markets for specific sections of the regional market. The Lithuanian OC groups as independent criminal actors, but also as main links to EU and global criminal markets for other regional groups, constitute a major threat.

4.3. The South-East region

A number of factors substantially differentiate the South-East region from the other three. In fact, several southeast European countries are not members of the EU. Furthermore, with the notable exception of Greece, all Member States in the region have joined the EU only recently or very recently. Finally, modern history in the area has evolved with different and unparalleled dynamics compared to Western Europe and, in many instances, also North-Eastern Europe. These factors, combined with the geographical location, substantially affect the OC situation.

The long wave of the liberalisation process that followed the fall of the Iron Curtain, together with the social, political and economic consequences of the Western Balkan conflicts, still influence the OC scenario in south-east Europe.

The strategic control of the Balkan route is a significant strength, maximised by the increasing flows of illicit trafficking between Western



Europe and Asia. Drugs and THB are the most lucrative illicit trades going towards the EU, while in the opposite direction the most trafficked goods are drugs and stolen vehicles. The Balkan route links the OC situation in southeast Europe with that of the three other European regions. In fact, all transnational OC groups in need to utilize the Balkan route have to find an agreement with Balkan OC groups, which gain a double benefit from their position of advantage: a share in the profits, and the possibility to establish high-level criminal alliances through which they can attain new markets and get involved into new types of crime. The central role of the Balkan route is amplified by the fact that all southeast European Member States share frontiers with non-EU countries, thus placing borders among the main facilitating factors of crime in the region.

Another important facilitating factor is the black market. In fact, during the last several decades the black market was the only way for most of the citizens in southeast Europe to get hold of many, often necessary, commodities. OC groups exploit this situation and provide a growing assortment of products and services.

Ethnic Albanian OC groups are active all over Europe, including southeast European Member States, mainly dealing with drug trafficking or THB. Their specialisation in the last stage of THB, namely in the exploitation of the prostitution of women often trafficked by other OC groups, is widely reported. Ethnic Albanian OC groups tend to smoothly gain access to new criminal environments, offering themselves as service providers for powerful and well established domestic groups, often being sub-contracted some criminal activities once they prove their skill and efficiency. However, ethnic Albanian OC groups avoid

establishing tight links with domestic OC groups, preferring to remain logistically and operationally independent.

Romanian OC groups are usually not very big in size, but they are recently displaying a tendency toward expansion in dimension and scope. They are involved, in several Member States, in drug trafficking, THB and in credit and debit card fraud. Access to the EU has facilitated intra-EU movements also for Romanian OC groups, increasing their impact in many Member States. In Italy, their criminal escalation is similar to that of ethnic Albanian OC groups, with a rapid and ruthless acquisition of a growing portfolio of criminal market shares. The possible exploitation of the Constanta port at the Black Sea, which is a major international hub with intense commercial flows very difficult to control, represents another threat posed by Romanian OC groups.

Bulgarian OC groups are particularly proficient – besides drug trafficking – in currency counterfeiting, credit and debit card frauds and THB. In assessing the international dimension of Bulgarian OC groups it is necessary to consider that many OC groups labelled as Bulgarian are actually composed by ethnic Turks or Roma people. A possible explanation for the minor involvement of ethnic Bulgarians in international OC is that, due to social and economic factors, domestic crime is more profitable and less risky.

Turkish OC groups are routinely associated with the heroin trade, but they are involved in

many other criminal fields. In fact, heroin trafficking has made Turkish OC strictly linked with the main international OC groups and perfectly aware of all existing smuggling routes and methods, to be used for all kinds of illegal trafficking, including facilitating illegal immigration.

OC groups from Croatia, Greece, Hungary and Slovenia normally have a local or national dimension, while information is not sufficient to evaluate the threat posed by OC groups from Bosnia, Serbia, Montenegro and FYROM. In the Western Balkans, however, the situation is influenced by several unique factors, in particular the still heavy presence of the international community and the delicate question of the province of Kosovo.

The criminal threat on southeast Europe is not limited to domestic OC groups. The Balkan route and the privatisation process, combined with the recent accession of many southeast European countries into the EU, have raised the attention of several EU and non-EU OC groups. Southeast Europe is seen by these OC groups as a land of opportunities, and the links established between OC groups along the Balkan route have a direct influence on all regions of Europe.

After the first period of general settlement, Bulgaria and Romania will join the political and economic mainstream of the EU, and will possibly switch from source countries to destination countries for illegal immigrants. That will pose new challenges and new criminal threats.

4.4. The South-West region: The Iberian Peninsula and beyond

Criminal activities shaping the South-West region, which includes mainly Spain, Portugal and part of France, are strictly linked with historical, cultural and geographic connections with Latin America and North-West Africa.

The large majority of OC groups in Portugal are mainly composed of persons from the Community of Portuguese Language Countries (CPLP). When OC groups are active at the international level, in most cases, members are from Africa and South America. One of the characteristics of the Spanish crime environment is the important role played by criminals from Maghreb, not only for their dominance in hashish trafficking but also for their activities in synthetic drugs and crimes against property. Another peculiarity is the activities of South American criminals that, besides their involvement in cocaine trafficking, are noticeably engaged in heroin trafficking, express kidnappings, home burglaries and other crimes



against property. In addition, Latin American street gangs are causing great social alarm.

With regard to cocaine trafficking, indigenous criminals from the South-West region maintain a central role in this flow also because South American OC groups engaged in cocaine production are usually not interested in taking care of the delivery and sale in the EU. This brings a high degree of flexibility to this criminal market.

The Iberian Peninsula is still a crucial crossroad for cocaine produced in Colombia and transiting from other Latin American countries, such as Venezuela, Argentina and Brazil, and also from the Caribbean region. Cocaine gets to the Iberian Peninsula in significant amounts by sea through containers or clandestine unloading on the vast Portuguese and Spanish coasts. Also Iberian airports and mail deliveries are misused. West Africa is increasingly used as transit point for South American cocaine aimed at Europe.

As it is argued later on, this growing role of Africa in cocaine trafficking can create a context in which the Iberian Peninsula or OC groups active there are increasingly bypassed by flows supplying the EU.

Concerning the development of cannabis trafficking in the EU, two main factors are the proximity with Morocco and the Moroccan criminal presence in Spain. Opportunities for clandestine unloading using vessels or private aircrafts are very difficult to be fought by the Iberian law enforcement agencies. Furthermore, traffic between Morocco and Spain is so intense that it offers wide possibilities also for smuggling through official entry points. After unloading in Portugal or Spain, hashish is usually stored before further transportation to other EU countries.

In case law enforcement pressure should make a route more difficult, easy alternatives are at hand in the Mediterranean or Atlantic areas, also in relation to increasing capabilities of vessels or aircrafts. It is also possible that Spain will be bypassed. New source or transit countries might increase their role in cannabis trafficking.

Moroccan OC groups will continue to consolidate their position in the cannabis markets with the aim of taking care of all phases of this criminal activity from source to destination. These OC groups could extend their area of interest in the cocaine market, due to the existing transit of this drug from West Africa and, in particular, the exploitation of the cannabis circuit also for cocaine redistribution to the EU.

Concerning the movement of people, Spain will continue to receive a significant number of irregular immigrants coming by air from Latin America, especially from Ecuador and Colombia. Portugal is a priority destination or transit point for migratory flows coming from the CPLP, among which special emphasis goes to the stream coming from Brazil.

Points for illegal boarding towards the Iberian Peninsula, such as Morocco, Western Sahara, Mauritania and Algeria, collect migratory flows coming by land from all West Africa and beyond. Africa is used also by immigrants from Asia. The international human smuggling networks also use Moroccan OC to smuggle immigrants from the Middle East and Asia into the EU in the final phase of the process.

South American and West African nationalities are reported in Spain among victims and criminals related to THB.

Extortion against illegal immigrants by Moroccan OC groups seems to be a peculiar feature that can easily blur the border between facilitation of illegal immigration and THB.

An increase in migratory flows from Africa is foreseeable in the near future, taking into consideration a high number of would-be illegal immigrants on the African continent.

West Africa is currently one of the main destinations for stolen vehicles. Stolen vehicles transiting through South-West Europe, from harbours located on the western bank of the Mediterranean Sea, are mainly bound to the Maghreb countries, at least as a first step. The geographical proximity and intense traffic play again a crucial role. Other parts of Western Africa are directly reached by flows from important harbours in Northern Europe and this route is apparently more structured.

Spanish ports on the Mediterranean coast receive intense commercial flows from Asia. Cigarettes, which are quite often counterfeit and meant for the British market, are smuggled via containers from Asia to the busy Mediterranean ports. Portugal is reporting an increase in transit of smuggled tobacco using then logistics in Spain for further distribution to other EU countries.

Counterfeit products are imported from Asia to Europe also through the South-West region.

The geographical position of Portugal and close relations between this country and its former colonies makes it attractive also for VAT fraud because this gives credibility to the fraudulent transactions.

4.5. Nodes of attraction: Criminal hubs

As introduced by the 2007 OCTA, a 'criminal hub' is a conceptual entity that is generated by a combination of factors such as proximity to major destination markets, geographic location, infrastructure, types of OC groups and migration processes concerning key criminals or OC groups in general. A criminal hub receives flows from a number of sources and spreads their effects in the EU thereby forging criminal markets and creating opportunities for the growth of OC groups that are able to profit from these dynamics.

The North-West, North-East, South-West, South-East and Southern criminal hubs are discussed below.

Opportunities given by large airports and harbours, well developed road infrastructures and financial systems contribute to forge **the North-West criminal hub**, which revolves around criminals and OC groups active in the area approximating The Netherlands and Belgium.

The presence of the North-West criminal hub can be noticed with reference to the cocaine,

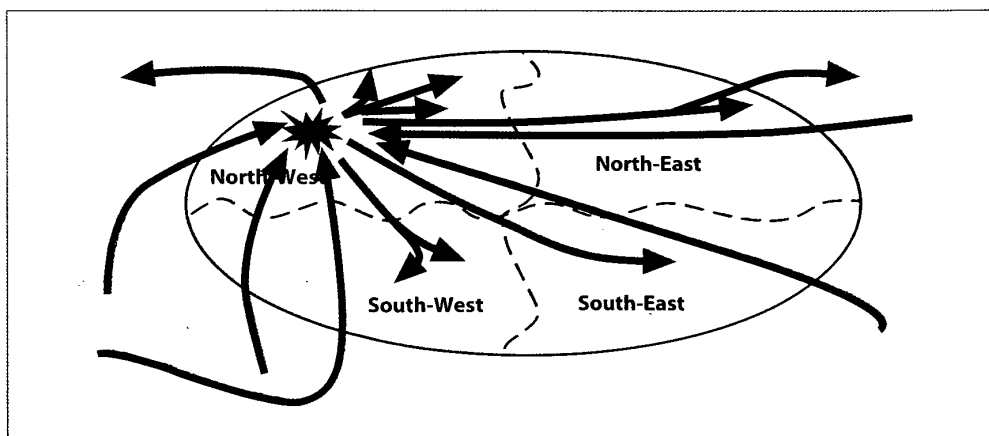
heroin, hashish, synthetic drugs and counterfeit goods criminal fields.

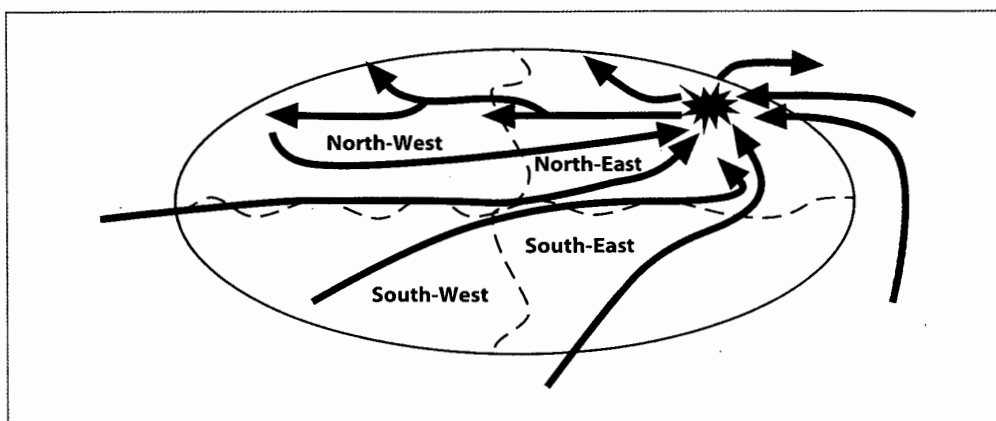
Because of the strict inspection policy adopted by the Dutch authorities, cocaine is increasingly flown to other EU airports. Nevertheless, from there land routes are often used to complete transport to The Netherlands.

With specific reference to the United Kingdom and Ireland, British and Irish criminals based in the North-West hub act as facilitators for drugs deliveries to these countries. This is probably one of the factors leading to multi-commodity shipments. Established Irish OC groups are starting to bypass the criminal hubs and becoming active in the source countries.

As a result of the above mentioned dynamics, the North-West hub will continue to be a major drugs supplier for the Benelux countries, the United Kingdom, Ireland, Germany, France, Italy and Spain. Its influence extends to the Nordic countries, especially with reference to cocaine and cannabis products, and further for synthetic drugs.

In the picture below, the concept of the North-West criminal hub is visualised. The arrows do





not represent precise routes but rather factors shaping the criminal hub.

Criminal groups active in **the North-East criminal hub**, which is located in the Baltic countries, work as a bridge between criminals operating, in particular, in Russia, Belarus and Ukraine and the EU criminal environment. They look both towards the west and the rest of the EU, and towards the east and beyond the borders of the EU.

Criminal groups active in the North-East hub look east beyond the EU borders to get heroin, synthetic drugs precursors and cigarettes. As already mentioned, Ukraine, Belarus, Moldova and Russia represent an important pool of potential victims of trafficking or illegal immigrants and OC in the Baltic region is prevalent in facilitating their illegal entry or trafficking into and within the EU.

Besides towards the Nordic countries and other Member States, OC groups active in the North-East hub look eastward for another important destination market. They tend to play an intermediary role with reference to illegal flows originating in the west, such as ecstasy, cocaine and cannabis products.

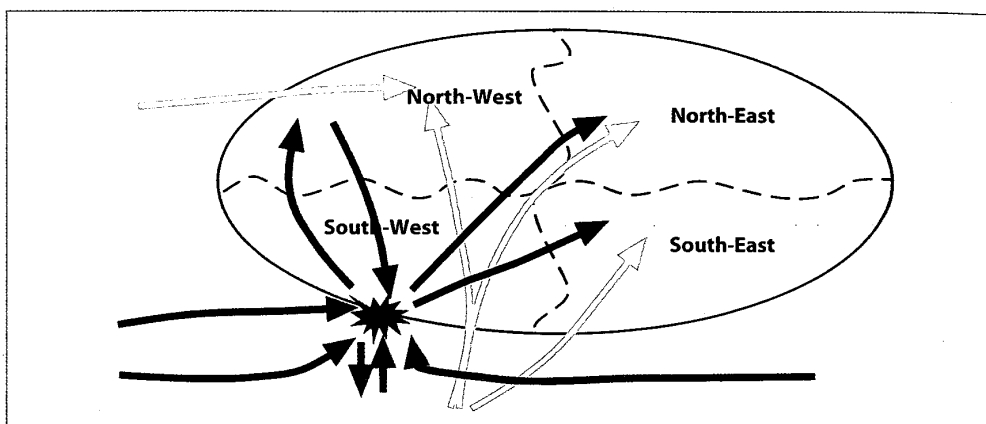
The North-East hub is also used as a transit to Russia for counterfeit goods from Asia.

Although the role of OC groups from other Baltic countries should not be underestimated, it seems to emerge a central role for Lithuania and Lithuanian OC.

The South-West criminal hub is based on links of the Iberian Peninsula with South America and northwest Africa. However, its focus is shifting towards the latter.

West Africa is growing as an immediate source of cocaine for Europe and the direct channel from Latin America and the Caribbean region by air is lively and not limited to the Iberian Peninsula. This might weaken the importance of Spanish and Portuguese direct links with South America.

Within this framework, historical and cultural links (including language) between France, West Africa, Latin America and the Caribbean region may facilitate direct provision by French criminals. In addition, the influence and potential for further development of the role of African networks in supplying directly different Member States' markets from Africa must not be underestimated.



The Iberian Peninsula is likely to keep its level of importance within the South West hub with reference to cannabis trafficking. As already mentioned Moroccan OC groups will continue to consolidate their position in the cannabis markets and could extend their area of interest in the cocaine field.

Another indicator suggesting West Africa as the real focus of the South-West criminal hub comes from the analysis of the migratory pressure on Spain and Portugal. Points for illegal boarding towards the Iberian Peninsula collect migratory flows coming by land from all West Africa and beyond. Africa is also used by immigrants from Asia.

In the end, West Africa will develop into an important criminal hub for the EU, increasingly attracting flows also from the east and not only from the Atlantic side. On the other hand, the intention to diversify points of departure from Africa might lead to an eastward movement of cocaine within the African continent.

The recent eastward expansion of the EU borders to the Black Sea could alter the current equilibrium and could potentially establish a new, **South-East criminal hub** in this area. National borders lacking sufficient protection in the South-East region, as well as inexpensive waterways which connect the Black Sea

