



# Organized Crime

Situation Report 2016



# Organized Crime 2016



**563 investigations against  
OC groups**



**8.655  
OC suspects**



**78 %  
international crime**



**1,01 Bio. €  
Losses**

**840 Mio. €**

**Criminal proceeds**



**61 Mio. €  
Seized assets**



**Drug trafficking and smuggling**

**36,2 %**



**Property crime**

**17,4 %**



**Tax and customs crime**

**10,1 %**



**Crime associated with  
the business world**

**9,4 %**



**Facilitation of illegal immigration**

**6,7 %**

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# 1 Preliminary remarks

The National Situation Report on "Organised Crime" for 2016 contains information about the current situation and developments in the field of Organised Crime (OC) in Germany.

The report is drawn up by the Bundeskriminalamt (Federal Criminal Police Office - BKA) in co-operation with the Landeskriminalämter (Land Criminal Police Offices – LKÄ), the Zollkriminalamt (Central Office of the German Customs Investigation Service – ZKA) and the Bundespolizeipräsidium (Federal Police Headquarters) on the basis of the working definition of "Organised Crime" developed by the Joint Working Party of the German Police and Judicial Authorities (GAG Justiz/Polizei) in May 1990. Data on OC investigations conducted during the period under review are compiled by applying the same set of criteria throughout the country.

The National Situation Report presents the results of law enforcement activities carried out in the field of Organised Crime. It is a description of the recorded cases, i.e. the crime coming to police notice, but a valid estimation of the possible type and extent of unreported crime cases cannot be deduced from the statistical data.

Statements on the development of Organised Crime are essentially based on the long term monitoring of information relevant to OC.



## 2 Statistical overview

Investigations	2016	2015
Number of investigations	563	566
Initial reports	275 (48,8 %)	281 (49,6 %)
Completed investigations	252 (44,8 %)	264 (46,6 %)
Suspects		
Number of suspects	8.655	8.675
Newly identified suspects	3.348 (38,7 %)	3.648 (42,1 %)
Number of German suspects	2.809 (32,5 %)	3.007 (34,7 %)
Number of non-German suspects	5.664 (65,4 %)	5.523 (63,7 %)
Lithuanian nationals	1.061 (12,3 %)	990 (11,4 %)
Turkish nationals	846 (9,8 %)	841 (9,7 %)
Number of persons of unclear nationality, stateless persons	182 (2,1 %)	145 (1,7 %)
Total number of nationalities	108	105
Number of armed suspects	401 (4,6 %)	449 (5,2 %)
Offender structures		
Heterogeneous offender structures	424 (75,3 %)	432 (76,3 %)
Homogeneous offender structures	139 (24,7 %)	134 (23,7 %)
Financial figures		
Losses	1,01 Bio. €	424 Mio. €
Identified criminal proceeds	840 Mio. €	230 Mio. €
Provisionally seized assets	61 Mio. €	65 Mio. €
Number of investigations resulting in the provisional seizure of assets	147 (26,1 %)	137 (24,2 %)
Number of investigations involving money laundering activities	212 (37,7 %)	208 (36,7 %)



Fields of crime	2016	2015
Drug trafficking and smuggling	204 (36,2 %)	208 (36,7 %)
Property crime	98 (17,4 %)	84 (14,8 %)
Tax and customs crime	57 (10,1 %)	51 (9,0 %)
Crime associated with the business world	53 (9,4 %)	67 (11,8 %)
Facilitation of illegal immigration	38 (6,7 %)	46 (8,1 %)
Violent crime	31 (5,5 %)	28 (4,9 %)
Cybercrime	22 (3,9 %)	22 (3,9 %)
Counterfeiting/forgery	20 (3,6 %)	16 (2,8 %)
Crime associated with nightlife	20 (3,6 %)	15 (2,7 %)
Money laundering	8 (1,4 %)	12 (2,1 %)
Environmental crime	3 (0,5 %)	5 (0,9 %)
Corruption	2 (0,4 %)	2 (0,4 %)
Arms trafficking and smuggling	2 (0,4 %)	5 (0,9 %)
Other fields of crime	5 (0,9 %)	5 (0,9 %)
Average OC potential	41,0 Pts.	40,7 Pts.
International crime	441 (78,3 %)	448 (79,2 %)
The Internet as an instrument of crime	54 (9,6%)	89 (15,7 %)
Offences involving more than one area of crime	178 (31,6 %)	170 (30,0 %)

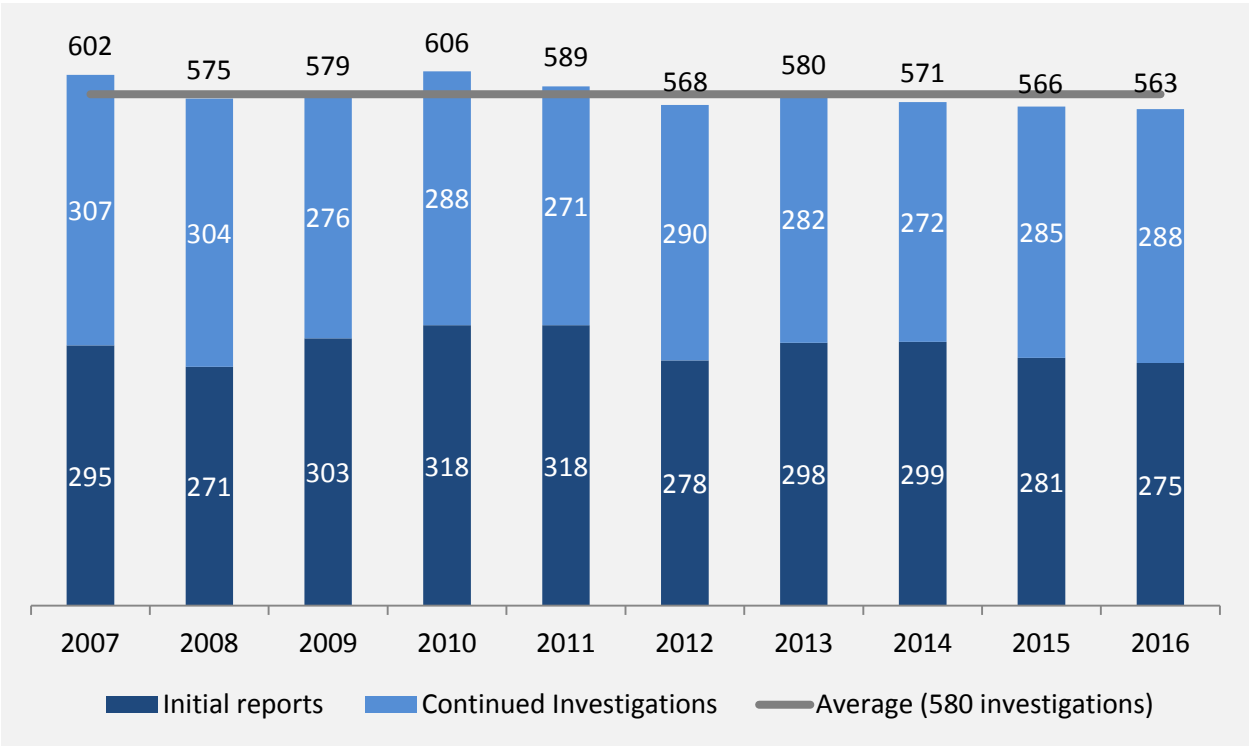


# 3 Presentation and evaluation of the crime situation

## 3.1 General data on investigations

The total number of investigations against OC groups dropped slightly from 566 to 563 (-0.5 %). In the year under review, 275 investigations were reported for the first time. On average, 580 investigations were conducted against OC groups over the last ten years.

Development of the number of investigations conducted against OC groups



The assignment of the investigations of the federal authorities to the federal states was based on the location of the public prosecutor's offices leading the respective investigations (figures of the previous year in brackets).

	federal state	BKA	BPOL (federal police)	ZKA (Customs authorities)	Total
North Rhine-Westphalia	68	9	3	27	<b>107</b> (107)
Bavaria	60	0	13	3	<b>76</b> (70)
Berlin	51	1	4	5	<b>61</b> (53)
Lower Saxony <sup>1</sup>	49	4	5	8	<b>66</b> (69)
Baden-Württemberg <sup>2</sup>	39	0	4	6	<b>49</b> (46)
Rhineland-Palatinate <sup>3</sup>	25	1	1	1	<b>28</b> (30)
Hamburg	22	1	0	1	<b>24</b> (28)
Schleswig-Holstein <sup>4</sup>	19	0	1	0	<b>20</b> (21)
Hesse	18	3	5	9	<b>35</b> (37)
Saxony	13	1	6	5	<b>25</b> (29)
Brandenburg	11	0	0	3	<b>14</b> (17)
Mecklenburg West.Pom. <sup>5</sup>	10	0	0	0	<b>10</b> (14)
Saarland	10	0	0	5	<b>15</b> (13)
Saxony-Anhalt	8	1	0	7	<b>16</b> (19)
Bremen	6	1	0	4	<b>11</b> (7)
Thuringia	5	0	1	0	<b>6</b> (6)
<b>Total</b>	<b>414</b>	<b>22</b>	<b>43</b>	<b>84</b>	<b>563</b> (566)
	(420)	(22)	(47)	(77)	

<sup>1</sup> Two investigations from Lower Saxony were conducted by public prosecutor's offices in Bremen and Rhineland-Palatinate.

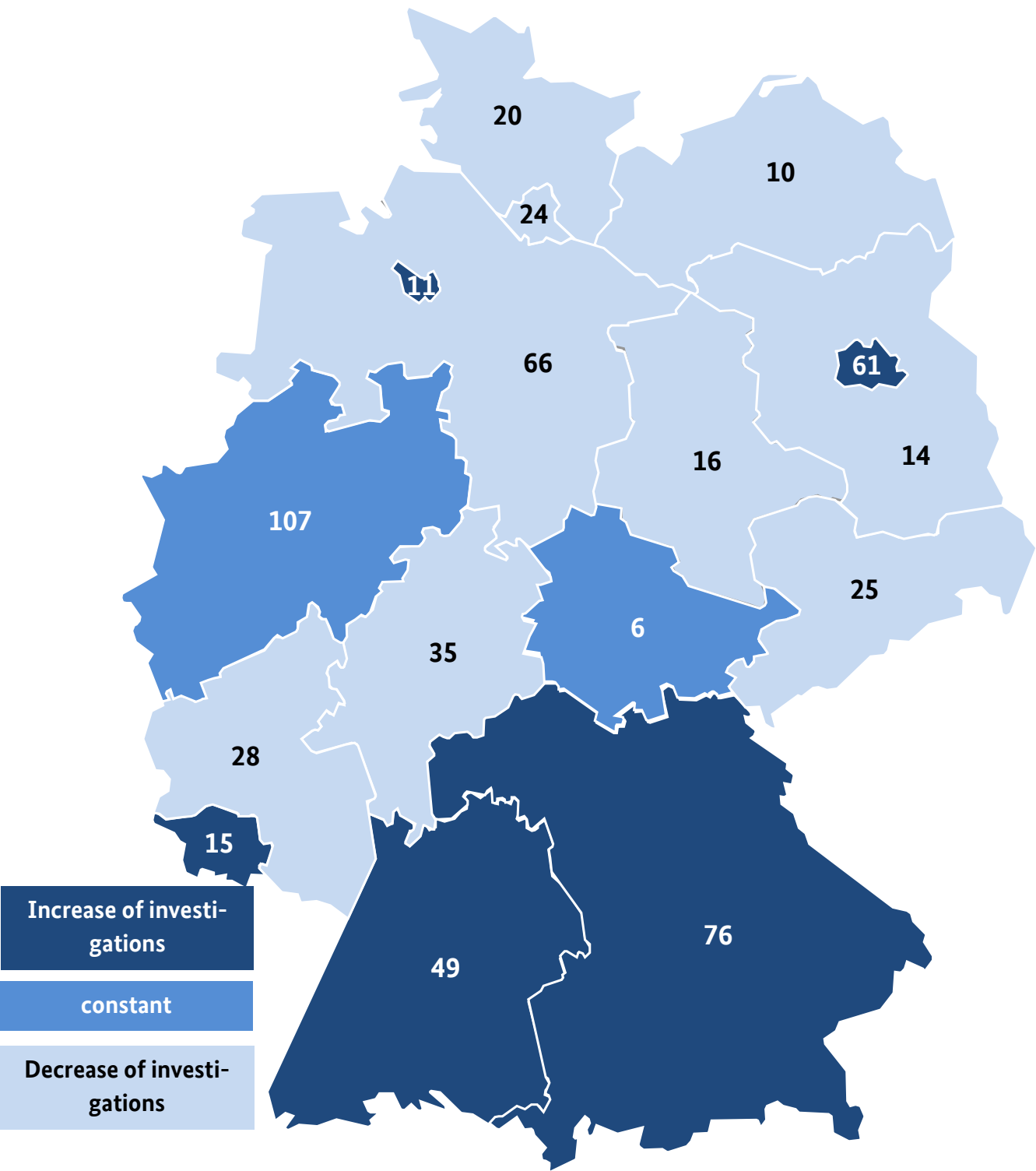
<sup>2</sup> Two investigations of the customs were conducted by the Federal Public Prosecutor General in Karlsruhe, Baden-Württemberg.

<sup>3</sup> Two investigations from Rhineland-Palatinate were conducted by public prosecutor's offices in Hesse.

<sup>4</sup> One investigation from Schleswig-Holstein was conducted at a public prosecutor's office in Hamburg.

<sup>5</sup> One investigation from Mecklenburg-Western Pomerania was conducted at a public prosecutor's office in Hesse.

Distribution of the investigations by German Federal State (2016)<sup>6</sup>



<sup>6</sup> Investigations conducted by the police forces of the Länder and the federal authorities.

All general characteristics and at least one of the specific characteristics listed under alternatives a) to c) of the working definition of "Organized Crime" must be given for criminal conduct to be rated as Organised Crime.

### **Working definition of "Organised Crime"**



*"Organised Crime is the planned commission of criminal offences determined by the pursuit of profit or power which, individually or as a whole, are of considerable importance if more than two persons, each with his/her own assigned tasks, collaborate for a prolonged or indefinite period of time*

- a) by using commercial or business-like structures,*
- b) by using force or other means of intimidation, or*
- c) by exerting influence on politics, the media, the public administration, the judiciary or the business sector.*

*The working definition of "Organised Crime", which was adopted by the Joint Working Party of the German Police and Judicial Authorities (GAG Justiz/Polizei) in May 1990, serves as the basis for the data collection.*

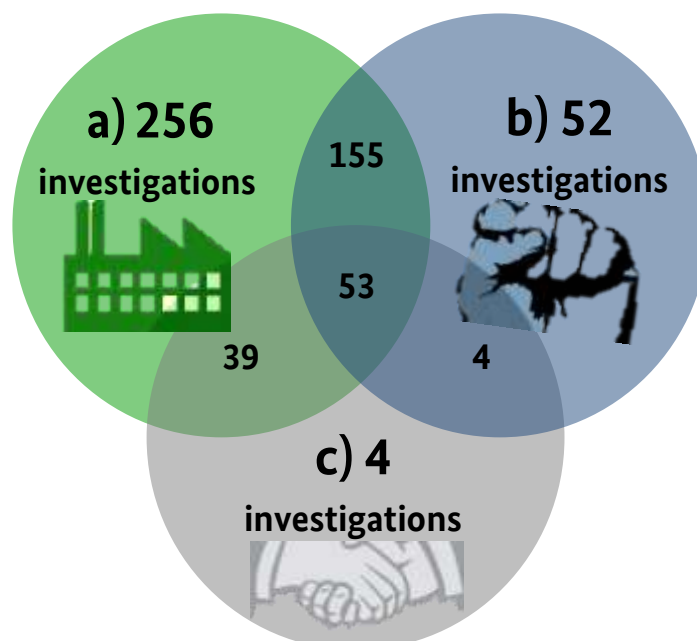
The distribution of the specific characteristics given in the OC definition was as follows in the year under review (multiple recording possible):

503 investigations: alternative a)

264 investigations: alternative b)

100 investigations: alternative c)

In 53 investigations, all three alternatives were identified.



## 3.2 Financial aspects

### Losses caused by OC groups

The total losses reported for the reporting year 2016 amounted to approximately EUR 1.01 billion. Contrary to the previous years during which the total amount of losses was continuously on the decrease, a significant rise was identified for 2016 (+137.1 %).



This considerable increase was primarily due to the losses incurred in the 275 newly reported investigations (roughly EUR 865 million), especially in the fields of crime associated with the business world as well as tax and customs offences.

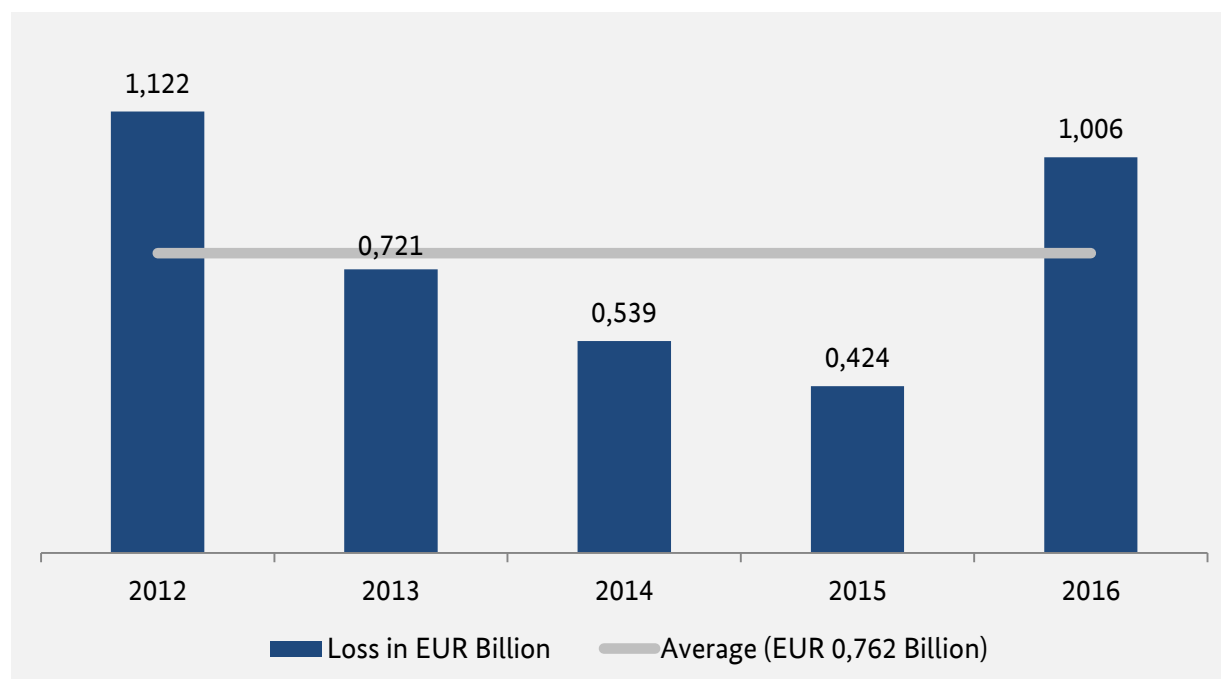


#### "Loss"

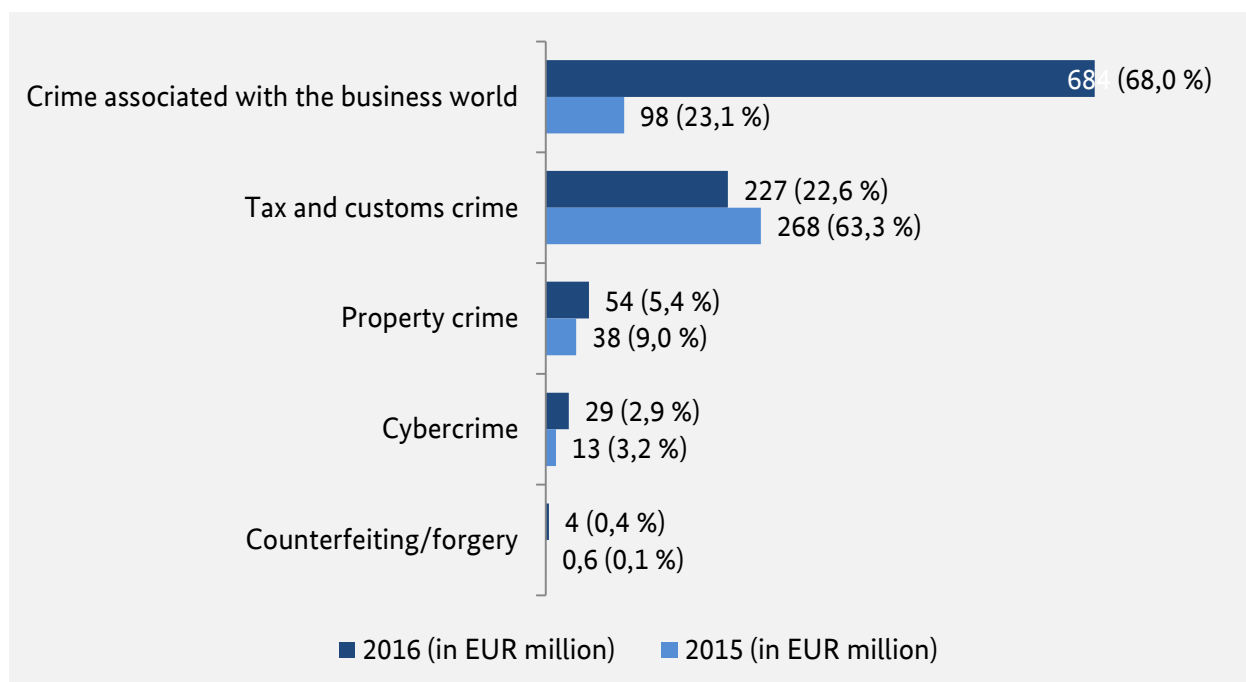


The basic definition of a "loss" is the monetary value (market value) of the illegally obtained property. In the case of property offences, "loss" should be understood as the decrease in the value of the property.

### Development of the losses identified



### Distribution of the losses identified by field of crime (excerpt)



With a loss of more than EUR 684 million, crime associated with the business world was the field of crime producing by far the most losses in the 2016 reporting year: This number corresponds to 68.0 % of the total OC losses identified. This field was followed by tax and customs offences with losses of roughly EUR 227 million (22.6 %), property crime with losses of approximately EUR 54 million (5.4 %) as well as cybercrime with losses of approximately EUR 29 million (2.9 %).

With EUR 296 million, the highest loss identified in an individual OC investigation in 2016 accounted for almost a third of the total losses established. This high individual loss was caused in an investigation involving more than one area of crime which was conducted in the field of crime associated with the business world against an internationally set up network of companies (letterbox companies in offshore countries) in which German nationals were involved. In this context, we suspect the provision of financial services for which no authorization had been granted in Germany, investment fraud, progressive solicitation of customers and money laundering.

#### **“Offshore countries”**



*“Offshore countries” or “tax havens” are locations characterized by low taxes, a high degree of confidentiality and secrecy - i.e. no disclosure of information about financial transactions and ownership structures - and only a minimal supervision and regulation of the financial market.*

### **Criminal proceeds generated by OC groups**

In 2016, criminal proceeds totalling roughly EUR 840 million were traced back for 220 OC groups (39.1 %) within the framework of financial investigations.

Compared to the previous year, this was more than 3.5 times as much (+265.6 %).

## "Criminal proceeds"



*"Criminal proceeds" are assets which the offender, a participant in the offence or a third person has obtained from or for the offence or which were identified as instruments of crime. The calculation is based on the gross principle, i.e. all proceeds which an offender has obtained from an offence are taken as a basis without deduction of any prior investments or costs incurred.*

With barely EUR 630 million - corresponding to three quarters of the whole proceeds obtained in 2016 - the highest criminal proceeds were again earned in the field of crime associated with the business world (75.1 %).

With respect to the fields of crime drug trafficking / smuggling (approximately EUR 78 million, 9.2 %) and tax and customs offences (approximately EUR 69 million, 8.2 %), the ranking changed in comparison to the previous year.

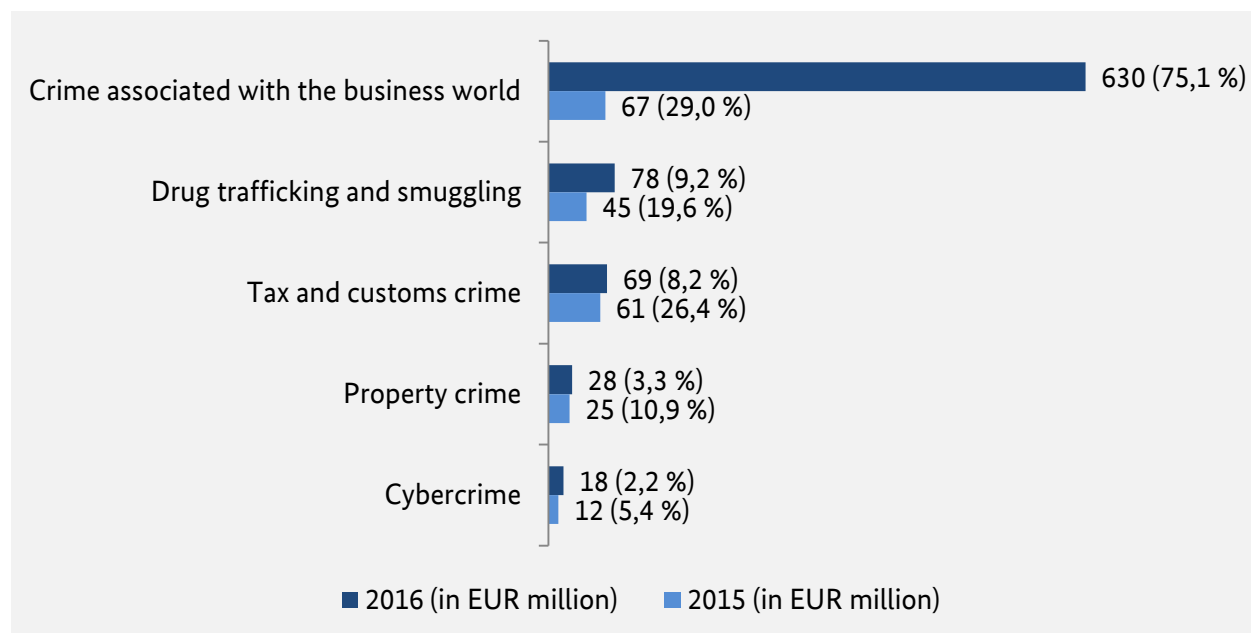
Consequently, they still ranked among the most lucrative crime and phenomenon areas of the OC groups.

The highest criminal proceeds identified in an individual OC investigation amounted to roughly EUR 296 million. It was the above-mentioned investigation which also featured the highest loss of the reporting year 2016 (in the fields of crime associated with the business world and money laundering).

In addition, two further new investigations against OC groups with criminal proceeds in the three-digit million range (approximately EUR 180 million and approximately EUR 115 million respectively) were reported for 2016. These OC groups as well were active in the field of crime associated with the business world.

These three OC groups consisted nearly exclusively of German nationals.

### Distribution of the criminal proceeds by field of crime (excerpt)





## Assets provisionally seized by the state

In the reporting year 2016, assets amounting to nearly EUR 61 million were provisionally seized by the state in 147 OC investigations (2015:137). EUR 58 million of these assets were provisionally seized within Germany.

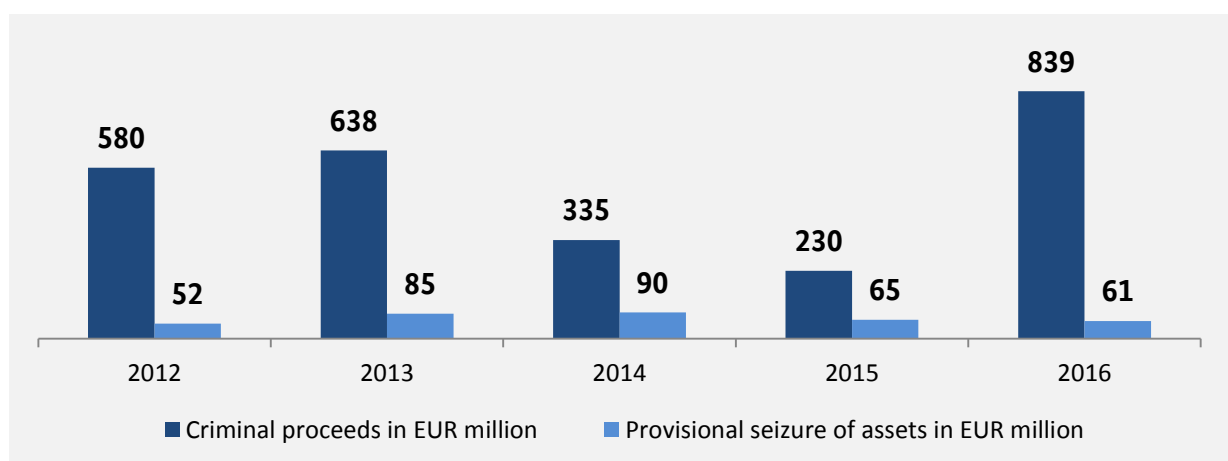


### "Provisional seizure of assets"



*"Provisional seizure of assets" refers to a legal procedure in which assets earned by criminal conduct are provisionally seized by the state in favour of forfeiture/confiscation claims of the state or claims asserted under civil law by injured parties. The provisional seizure is maintained until it is decided with final and binding effect within the framework of court proceedings whether civil claims of persons aggrieved will be satisfied, whether the assets are subject to forfeiture or confiscation or whether they have to be released again.*

### Total amount of provisionally seized assets and criminal proceeds identified



The highest sum of money seized in an individual OC investigation in 2016 amounted to EUR 29 million. It was seized from the same OC group that had also caused the highest loss and obtained the highest criminal proceeds in the reporting year 2016 (in the fields of crime associated with the business world and money laundering).

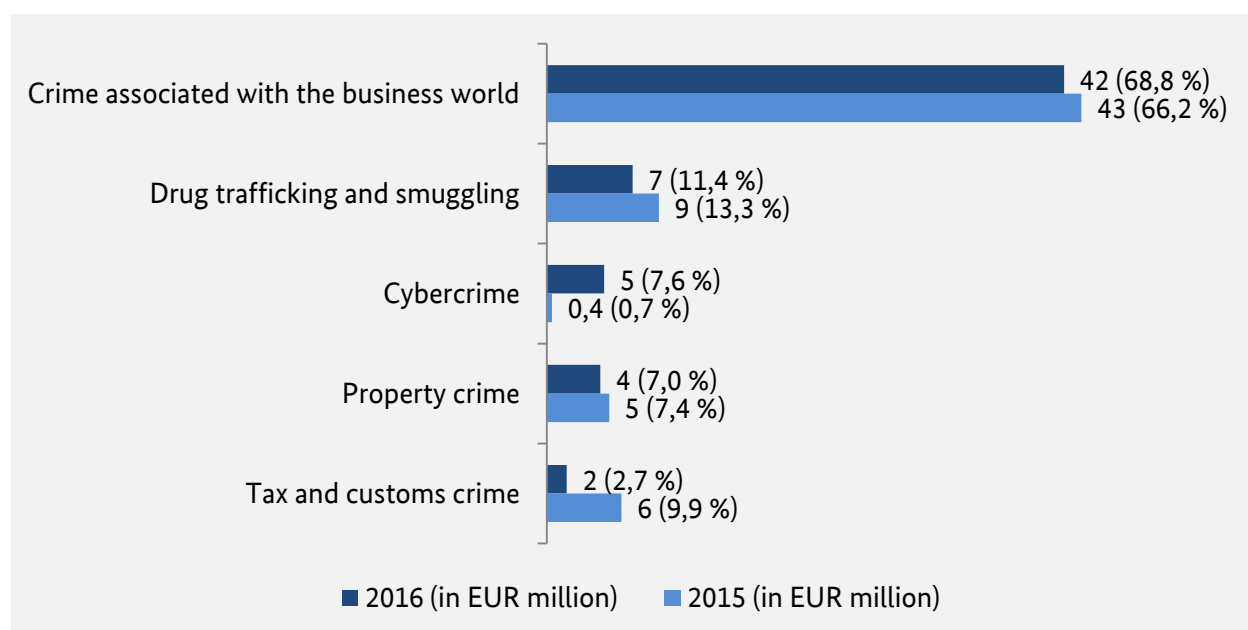
All in all, the field of crime associated with the business world ranked first with nearly EUR 42 million of provisionally seized assets in 2016 and thus a share of 68.8 % in the total amount of money that was provisionally seized. This field of crime was followed by drug trafficking/smuggling with approximately EUR seven million (11.4 %), cybercrime with almost EUR five million (7.6), property crime with more than EUR four million (7.0 %) as well as tax and customs offences with roughly EUR two million (2.7 %).

The share of the provisionally seized assets in the criminally earned proceeds was 7.2 %. On the one hand, the discrepancy between these two parameters suggests a constantly rising degree of

professional concealment of the illicit assets by the OC groups, so that their detection becomes increasingly difficult for the law enforcement authorities. On the other hand, many of the newly reported investigations were still at a stage at which a loss or proceeds had been proved but the seizure of assets had not yet become possible.

On 01/07/2017, the Act reforming asset confiscation under criminal law came into force. This Act closes identified regulatory gaps and aims especially at facilitating the implementation of asset confiscation measures and the confiscation of assets of unclear origin. Moreover, the Act implements the requirements set by the European Parliament and the Council of the EU with respect to the seizure and confiscation of instruments of crime and proceeds in the EU.

#### Distribution of the provisional asset seizures by field of crime (excerpt)



#### "Annual Statistics of Asset Seizures 2016"

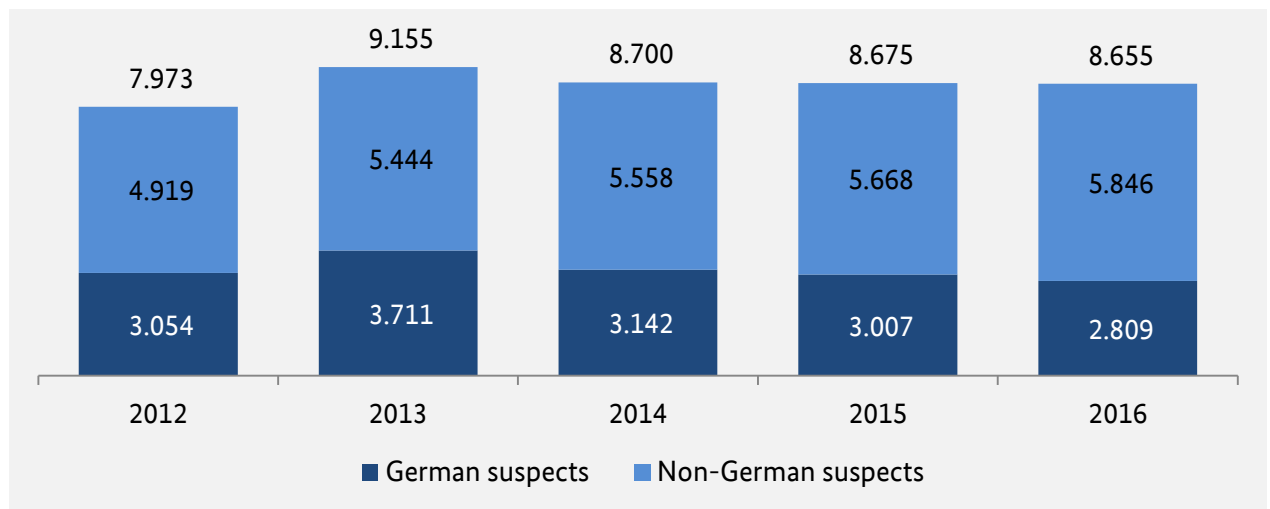


Compared to the OC National Situation Report 2016, the "Annual Statistics of Asset Seizures 2016" feature provisional seizures of assets in roughly 10,000 investigations with a total amount of approximately EUR 424 million. The provisional seizures of assets worth approximately EUR 61 million in the 147 investigations conducted against OC groups therefore alone represent a share of about 14.4 % in the seizures of assets carried out all over Germany in all fields of crime. This ratio illustrates the high threat and loss potential of Organised Crime.



### 3.3 Suspects

Development of the total number of suspects and number of German suspects



With 2,809 suspects (2015: 3,007), German nationals made up the lion's share of the OC suspects in 2016 again. Consequently, 32.5 % (2015: 34.7) of all OC suspects had a German passport. These two values both mean the lowest number of German suspects and the lowest share in proportion to non-German suspects who have ever been identified within the framework of data collection for the National Situation Report on OC.



With a share of 12.3 % in the total number of suspects, Lithuanian nationals headed the ranking list of non-German OC suspects again, as in the previous year (2015: 11.4 %). As in the previous reporting years, this high share of Lithuanian nationals in the total number of suspects could be attributed to a single investigation in the field of crime associated with the business world (nuisance calls to the detriment of elderly people<sup>7</sup>) during which a total of 816 Lithuanian suspects were reported.

These suspects were again and nearly without any change followed by Turkish nationals who made up 9.8 % (2015: 9.7 %).

After a slight decrease in the previous year, the share of Polish suspects rose to 5.7 % (2015: 5.1 %). All in all, 494 Polish suspects were identified which is the highest number of the last years. Polish suspects mainly surfaced in connection with OC investigations conducted into motor vehicle property offences as well as tax and customs offences.

After a considerable increase of the number of Romanian suspects during the previous year, a drop by almost one third to 282 persons was established in the reporting year 2016 (2015: 413). Consequently, the share of Romanian nationals amounted to 3.3 % (2015: 4.8 %).

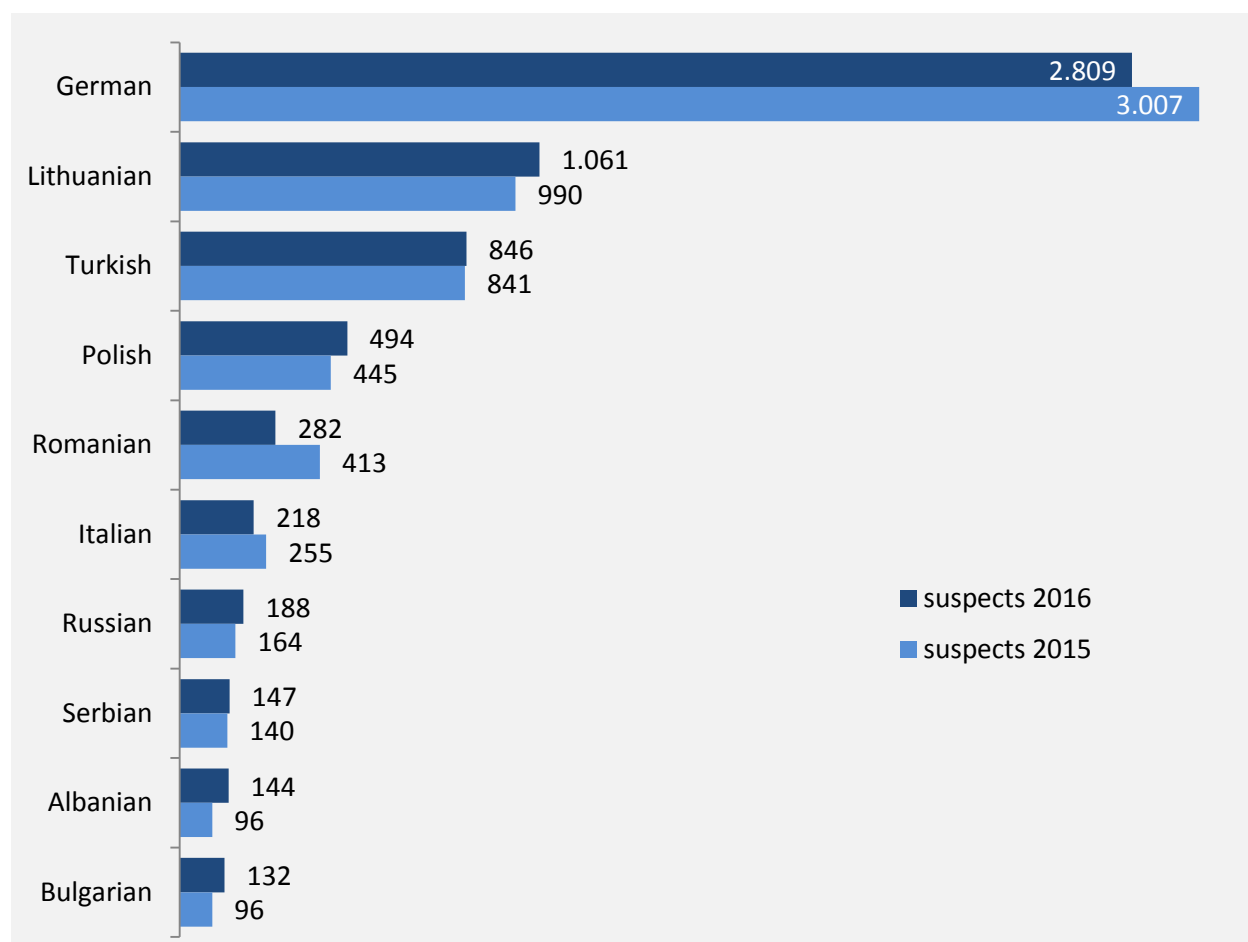
The nationality of 2.1 % of all suspects remained unclear (2015: 1.7 %).<sup>8</sup>

<sup>7</sup> Mainly Russian-speaking suspects were identified in connection with the "nuisance calls". The mostly elderly victims stemming from the Russian-speaking area were called by these suspects who pretended that a relative was in an emergency situation or had an accident and thus prompted the victims to hand over an amount of money to an alleged "courier" at short notice in order to help their relative.

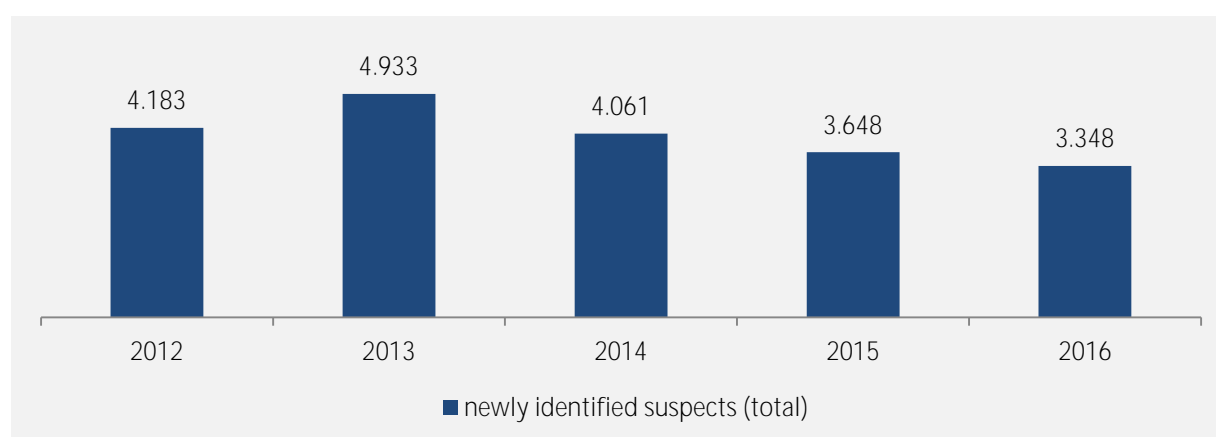
<sup>8</sup> The unclear nationalities also include stateless suspects and persons of another European nationality.

The following chart shows an extract from the list of suspects reported in the year under review. For a list of all suspects identified please see the annex.

#### Number of suspects by nationality (extract)



#### Development of the number of newly identified suspects



With 34.3 % (2015: 36.8 %), German nationals continued to make up the largest group among all newly identified suspects.

With a share of 11.1 % (2015: 9.6 %) Turkish nationals ranked second among the newly identified suspects and were followed by Polish nationals with 6.5 % (2015: 5.9 %).

Significant rises in numbers of newly identified suspects were seen with respect to Albanian (+85.4 %), Bosnian-Herzegovinian (+180 %) and Croatian (+68.4 %) nationals who all belong to the Western Balkan region.

### "Western Balkan"

The "Western Balkan" region consists of the following countries:

Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia.

For 2016, nearly 62 % more new OC suspects from the Western Balkan countries were registered than in the year before.

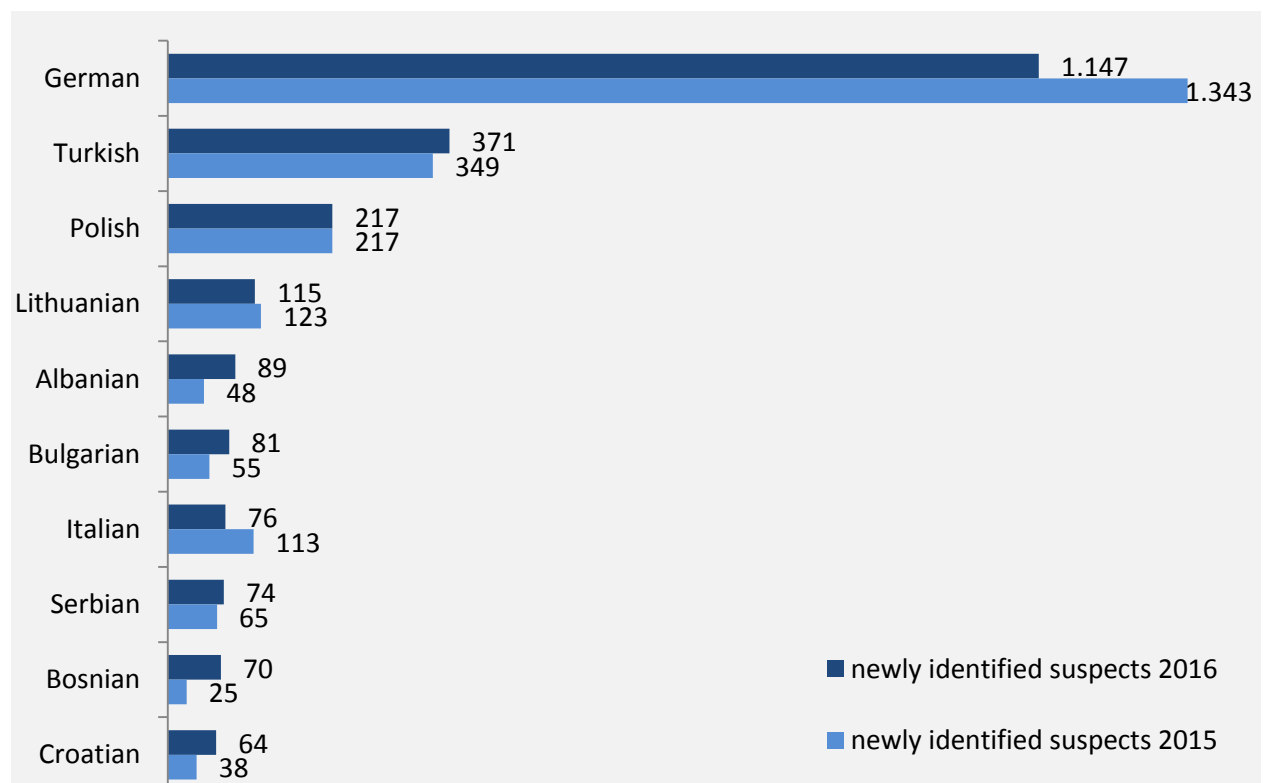


By contrast, due to a significant drop by 69.7 %, Romanian nationals were no longer among the first ranks of newly identified suspects (share in 2016: 1.7 %; share in 2015: 5.1 %).

The nationality of 2.4 % of all newly identified suspects (2015: 2.5 %) is still unclear.

The following chart shows an excerpt from the list of suspects newly identified in the year under review. They are listed by nationality. An alphabetic overview of all newly identified suspects is attached.

**Number of newly identified suspects by nationality (excerpt)**



### 3.4 Structures of the OC groups

As in the previous year, averagely 15 suspects cooperated per OC group. Most of the groups consisted of up to ten suspects (60.4 %). In 24.5 % of the investigations, eleven to 20 suspects associated, in 12.3 % of the investigations 21 to 50 suspects associated and only in 2.8 % of the cases, more than 50 suspects formed a group.

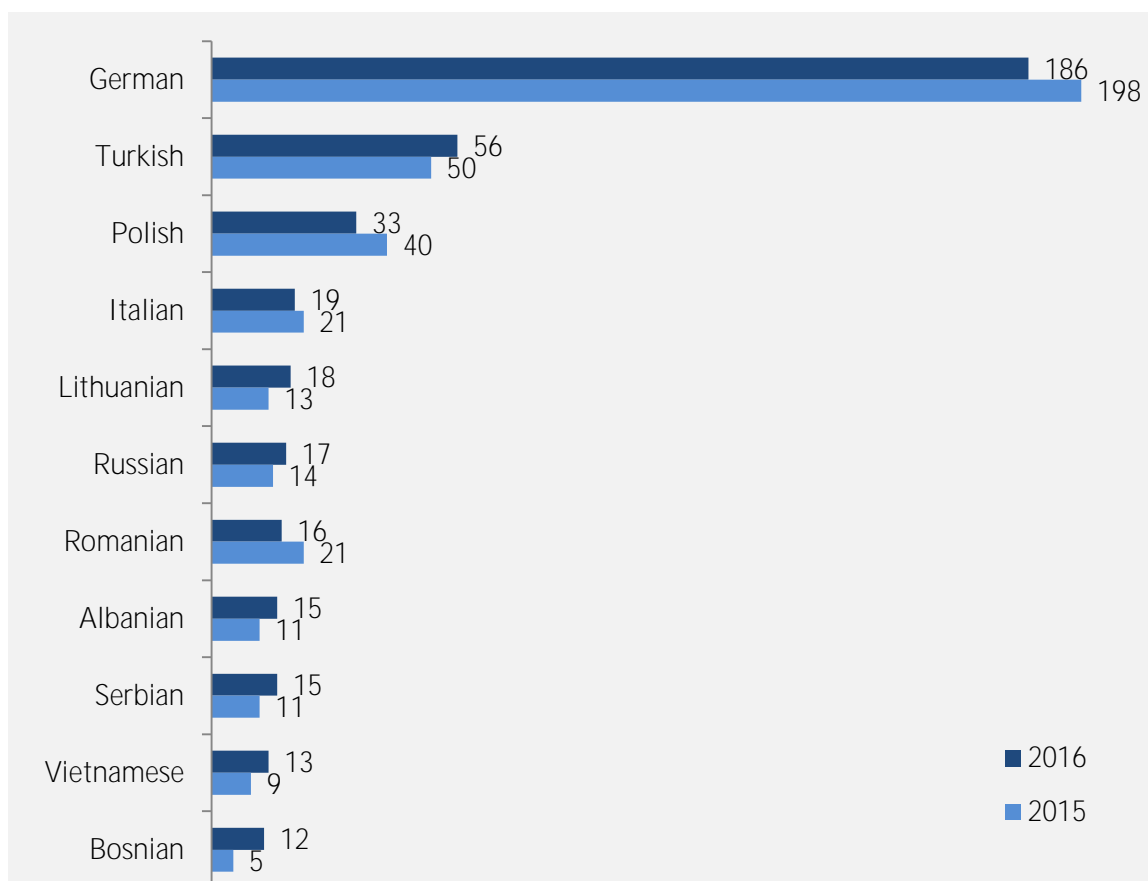
#### **"Dominant nationalities"**



*For the identification of the dominant nationality of an OC group, the nationality of those holding leading positions within the OC groups is decisive. In this context, it is not necessarily the majority of group members that has to have this nationality.*

The following chart is an extract from the dominant nationalities established in the year under review. In addition to the groups dominated by German nationals, it represents the Top 10 of the groups dominated by non-German nationals. Please find further facts about the nationalities listed here as well as an alphabetical overview of all groups identified in the annex.

**Number of groups listed by dominant nationality (extract)**



**Overview of further data of the groups dominated by the following nationalities for the year 2016 (figures of the previous year in brackets):**

	Dominating nationality	Number of OC groups	Average OC potential in points <sup>9</sup>	Average collaboration in years <sup>10</sup>
1	German	186 (198) ↓	41.9 (42.1) →	3.7 (3.7) →
2	Turkish	56 (50) ↑	44.8 (46.2) ↓	2.2 (2.5) ↓
3	Polish	33 (40) ↓	42.7 (40.8) ↗	2.9 (2.1) ↑
4	Italian	19 (21) ↓	42.4 (43.3) ↓	1.7 (2.2) ↓
5	Lithuanian	18 (13) ↑	47.2 (42.5) ↑	2.8 (2.3) ↑
6	Russian	17 (14) ↑	39.3 (39.4) →	5.2 (3.9) ↑
7	Romanian	16 (21) ↓	33.5 (32.1) ↗	1.9 (1.6) ↑
8	Albanian	15 (11) ↑	41.0 (38.8) ↗	4.0 (4.6) ↓
9	Serbian	15 (11) ↑	36.3 (43.0) ↓	2.4 (3.5) ↓
10	Vietnamese	13 (9) ↑	44.4 (48.2) ↓	2.0 (1.5) ↑
11	Bosn.-Herzeg.	12 (5) ↑	44.2 (39.1) ↑	3.2 (1.9) ↑

In addition to checking all reported investigations for their OC relevance (OC definition), the investigators subjected OC groups to a qualitative assessment in terms of their level of organisation and professionalism, which is expressed by the so-called OC potential. The OC potential is calculated by counting and weighting the applicable indicators taken from the list of "General indicators for identifying OC-relevant cases". In principle, the stages of the offence are evaluated, i.e. preparation and planning of the offence, commission of the offence and use of crime proceeds. The duration and staffing of an investigation play a decisive role in identifying these indicators. Therefore, a low OC potential does not necessarily imply a low degree of organisation and professionalism.

With an average value of 41.0 points, a slight upward trend of the average OC potential was recorded in the reporting year 2016 (2015: 40.7 points).

There was only a small number of groups with either a very low or very high OC potential. Groups with a medium OC potential (between 20 and 60 points) represented the largest share.

<sup>9</sup> The average OC potential of all OC groups amounted to 41.0 points (previous year: 40.7 points).

<sup>10</sup> The average time of collaboration amounted to 3.1 years (previous year: 2.9 years).



## 3.5 Structural considerations

Information obtained through investigations, analyses and research related to OC groups proves that their members join up as a result of various motives. OC groups sharing common grounds (e.g. socio-cultural and linguistic features) are now being looked at.

### Outlaw motorcycle groups

In 2016, 35 OC investigations (about 6.2 % of all OC investigations) targeted OMCG members. The slightly declining trend thus continued (2015:42). The following investigations were conducted:

- 28 investigations into members of the Hells Angels MC (2015: 25),
- five investigations into members of the Bandidos MC (2015: 10),
- one investigation into members of the Gremium MC (2015: 5),

as well as

- eight investigations into members of other MCs (2015: 13).<sup>11</sup>

Roughly half of the 35 OC investigations conducted against outlaw motorcycle gangs concerned drug trafficking and smuggling (mostly cocaine, synthetic drugs and cannabis products). With 37.1 % of the investigations, another focus lay on investigations concerning violent crime (extortion and homicide offences). Organised Crime committed by outlaw motorcycle gangs is a phenomenon mainly dominated by German nationals (65.7 %).

Furthermore, 39 investigations (2015: 29) targeted OC groups with links to members of outlaw motorcycle gangs.

Thus, in 2016, a total of 74 OC investigations were either conducted directly against OMCG members or against OC groups linked to OMCG members.

### OMCG-type groups

With a total of 15 investigations, the number of OC investigations conducted against members of OMCG-type groups remained at a similar level as during the previous year (2015: 14). In this context, the following investigations were pending:

- five investigations into members of the United Tribunes (2015: 7),
- four investigations into members of the Osmanen Germania BC (2015: 0).
- two investigations into members of the Black Jackets (2015: 3) .

as well as

- six investigations into members of other OMCG-type groups (2015: 5).<sup>12</sup>

In comparison to real outlaw motorcycle gangs, OMCG-type groups have similar hierarchical structures, have the same self-image and publicly demonstrate their shared identity by means of clothes or symbols. They are active in the same fields of crime and are equally unwilling to cooperate with the police. The difference to outlaw motorcycle gangs is that there is no "obligation" to have a motorcycle. The motorbike only plays a subordinate role for them.



<sup>11</sup> Multiple recordings are possible as individual investigations were directed against several groups.

<sup>12</sup> Multiple recordings are possible as individual investigations were directed against several groups.

For the first time, OC investigations conducted against members of the Osmanen Germania BC were reported.

OC investigations in the area of OMCG-type structures mainly concerned drug trafficking / smuggling and violent offences.

## Italian Organised Crime (IOC)

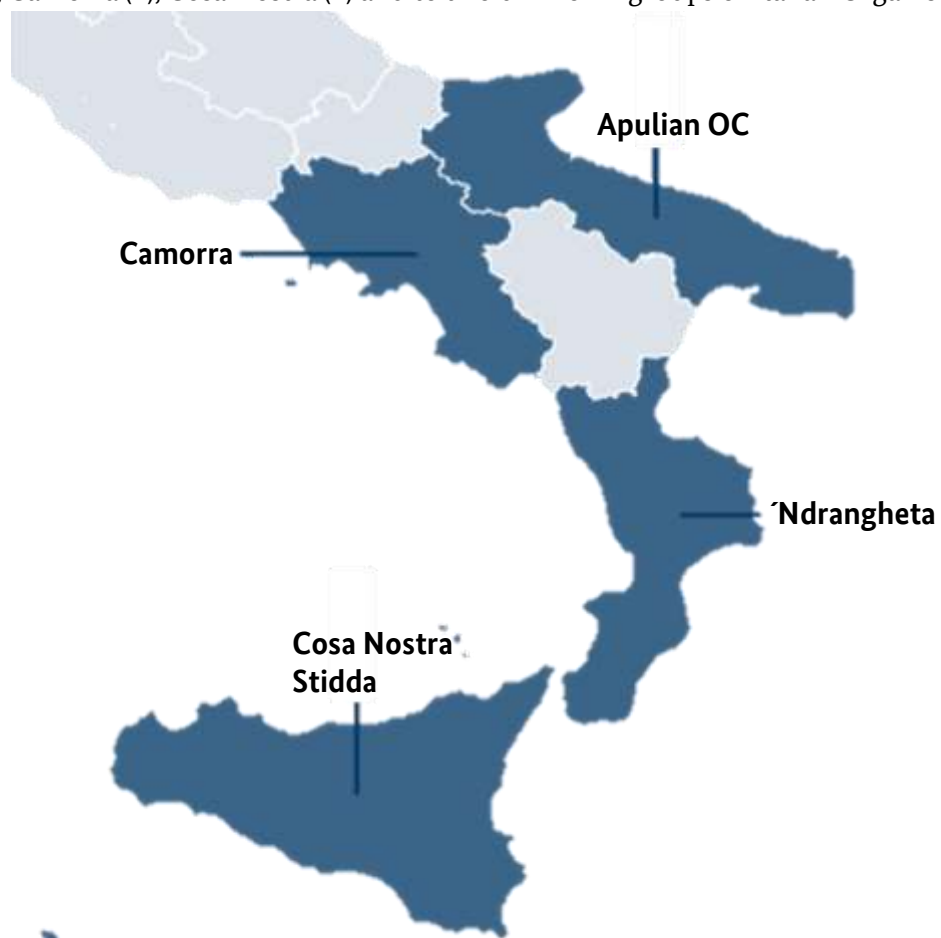
In the year under review, 13 investigations (2015: 17) were directed against Italian Mafia groups, i.e.

- seven investigations into members of the 'Ndrangheta (2015: 8) ,
- two investigations into members of the Cosa Nostra (2015: 3),
- one investigation into members of the Camorra (2015: 3),
- one investigation into members of the Stidda (2015: 1) and
- one investigation into members of the Apulian OC (2015: 0).

One further investigation was conducted against an IOC group that could not be assigned to a specific organisation without doubt at the time of recording.

The main activities of these groups extended to various fields of crime with the focus lying once again on cocaine trafficking and smuggling. Besides this, IOC groups were inter alia active in the areas of money laundering, counterfeiting of cash, extortion, offences involving financing and motor vehicle property offences.

A total of eight OC groups had links to members of Italian Mafia groups (2015: 3). Links to the 'Ndrangheta (3), Camorra (2), Cosa Nostra (1) and to two unknown groups of Italian Organised Crime were identified.



## Russian-Eurasian Organised Crime (REOC)

Besides the common cultural background, the Russian language is the unifying element of Russian-Eurasian Organised Crime (REOC). Consequently, all OC structures are taken into consideration which:

- are dominated by persons who were born in one of the post-Soviet states and therefore have a corresponding cultural background,
- are dominated by persons who were born outside a post-Soviet state but consider themselves members of an ethnic group of one of the post-Soviet states due to their culture, history, language, traditions or ancestors.

In Germany, this refers especially to the so-called "Spätaussiedler" (late repatriates). An essential part of REOC is the ideology of the traditionally so-called "thieves in law", i.e. criminal authorities who have their own system of standards and values and adhere to their own code of conduct. The syndicates that emerged from the local gangs of post-Soviet Russia of the 90ies are closely associated with this ideology. The REOC phenomenon comprises all criminal and related legal and illegal economic activities which are performed under this "concept". A central element is the so-called "obchak" (cash register for thieves). All members or levels of the strictly hierarchically structured organisations which isolate themselves from both inside and outside, are obliged to pay contributions to it.



***The following states are considered to be post-Soviet states:***

*Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Republic of Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan*



In 2016, a total of 35 investigations (2015: 33) were conducted against groups which were found to be linked with REOC (i.e. 6.2 % of all OC investigations). Therefore, the number of REOC investigations conducted nearly remained at the same level as the year before. In 29 investigations, the suspects acted at international level.

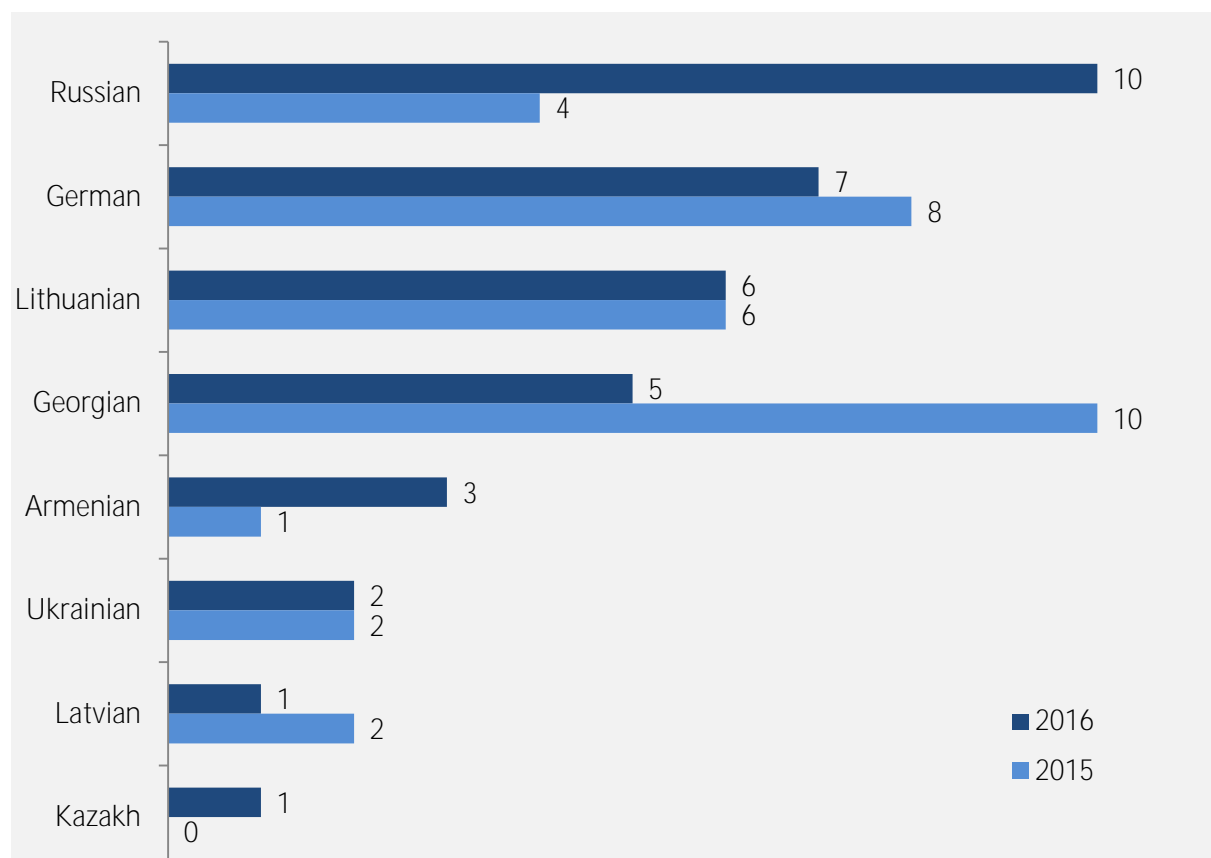
Ten REOC groups were dominated by Russian nationals, followed by German nationals (7 groups) and Lithuanian nationals (6 groups). Worthy of particular emphasis are the increase of REOC groups dominated by Russian nationals (2016: 10, 2015: 4) and the decrease of REOC groups dominated by Georgian nationals (2016: 5, 2015: 10).

Two thirds of the all in all 1,384 reported REOC suspects had Lithuanian nationality (947 suspects). This high rate can be ascribed to an investigation conducted from 2012 in connection with nuisance calls. In this investigation alone, 816 Lithuanian nationals were identified. In addition, 148 German and 89 Russian nationals were recorded in all REOC investigations. The REOC groups were mainly dedicated to property crime, drug trafficking and smuggling and cybercrime.

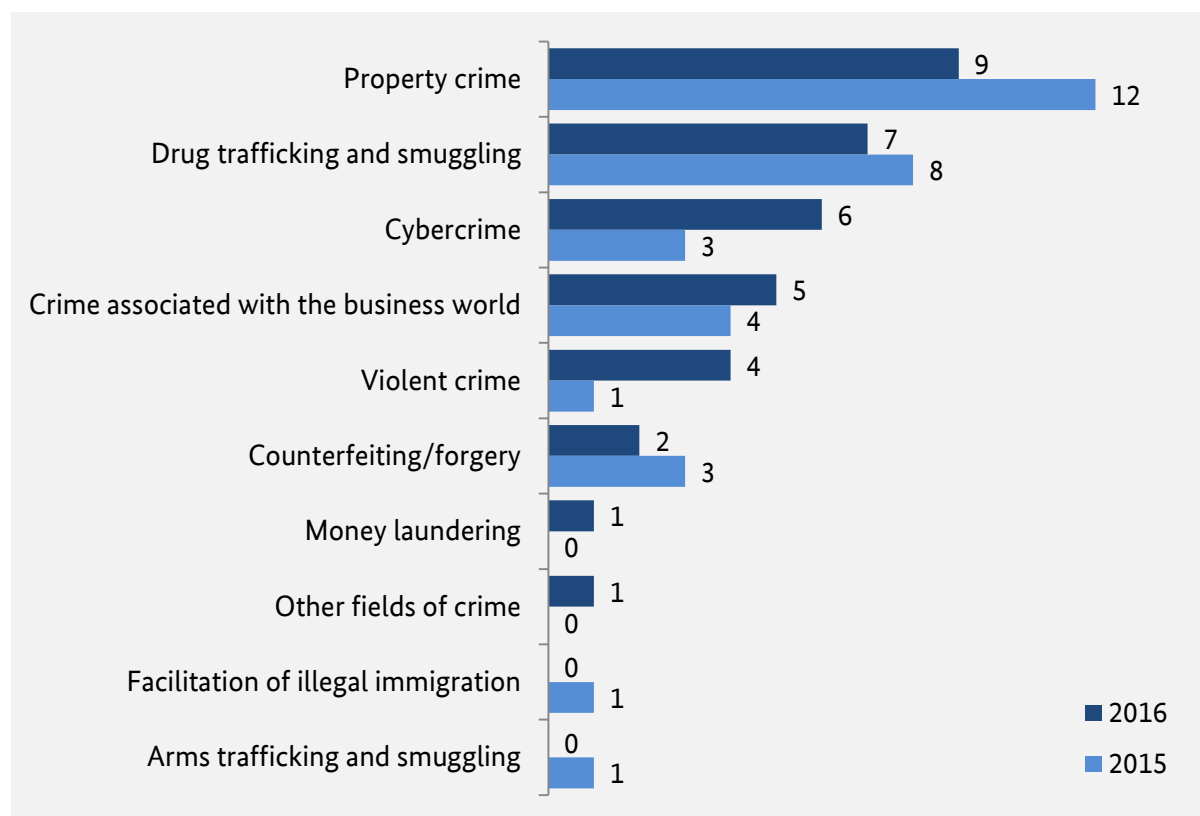
Furthermore, ten investigations against OC groups linked to REOC groups were conducted in 2016 (2015: 10).

In six further (2015: 1) cases, there were links between REOC groups among each other with most of these groups stemming from the same countries of origin.

#### Number of REOC investigations by dominant nationality



## Fields of crime of the REOC groups



## 3.6 Fields of crime

Compared to the previous year, a slight downward trend of OC investigations conducted in the area of drug trafficking / smuggling (-1.9 %) was established in the reporting year 2016. However, the OC groups are still mainly active in this field of crime. Following the decrease of OC investigations concerning property crime in 2015, these investigations increased again by 14 investigations, i.e. 16.7 %, in 2016 (2016: 98, 2015: 84). These two fields of crime therefore accounted for more than half of all OC investigations reported in 2016. As a result of a rise by 11.8 %, tax and customs offences followed on rank three with 57 OC investigations (2015: 51) and thus ranked above the field of crime associated with the business world which decreased by 20.9 % to a total of 53 OC investigations (2015: 67). With 38 OC investigations, facilitation of illegal immigration was found on rank 5, as in the reporting year 2015, although a significant decrease by 17.4 % was recorded (2015: 46).

Almost one third of the OC groups (31.6 %) were active in more than one field of crime (2015: 30.0 %). Compared to the groups focusing on one specific area of crime only, they had a clearly higher average OC potential (46.1 points as compared to 38.7 points).

The number of cases in which the Internet was used as an instrument of crime, identified for the first time in the reporting year 2015, decreased by 39.3 % from 89 to 54 cases in 2016.

In 212 OC investigations, there were leads suggesting money laundering activities (37.7 %; 2015: 208, 36.7 %). In 23.1 % of all investigations, inquiries into money laundering were made pursuant to section 261 of the German Penal Code (130; 2015: 129, 22.8 %). In addition to investigations solely dealing with money laundering, above all investigative proceedings concerning drug trafficking and smuggling (39), crime associated with the business world (21) and property crime (17) included inquiries into money laundering activities pursuant to section 261 of the German Penal Code. In 108 investigations, a total of 869 suspicious transaction reports were filed pursuant to section 11, subsection 1 of the German Money Laundering Act (2015: 90 investigations, 1,037 suspicious transaction reports).

The following table provides a summarised overview of all fields of crime in which OC groups were active.

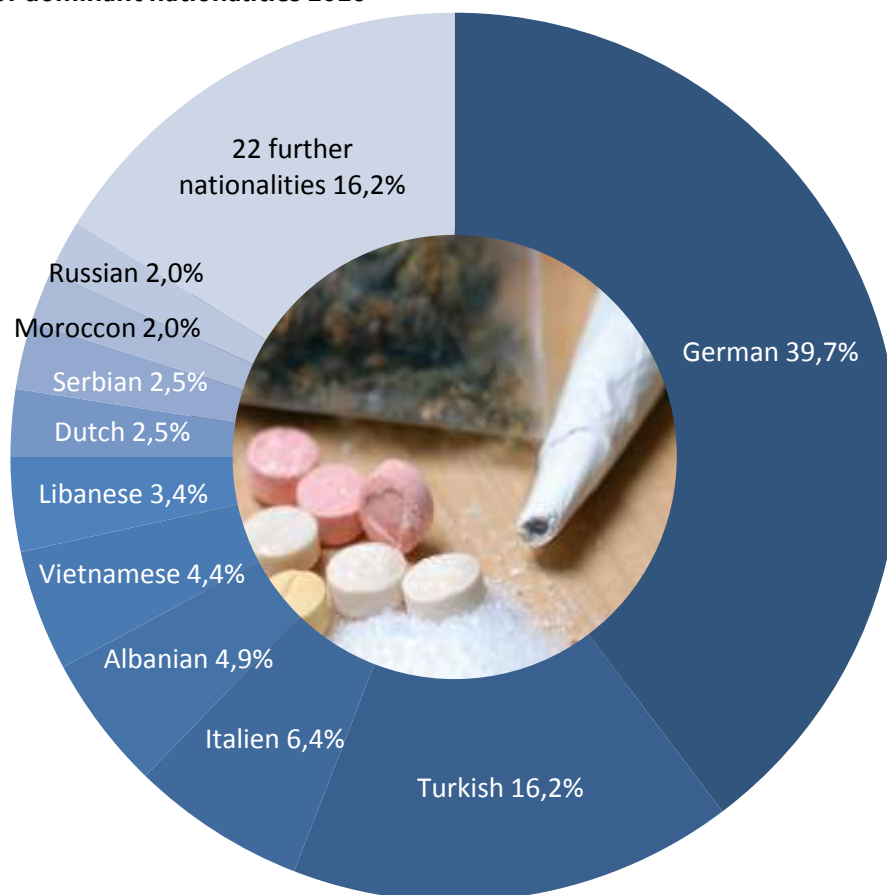
**Fields of crime 2016 (figures of the previous year in brackets)**

Fields of crime	Number of groups		Share in the OC			Average OC-potential in points		
Drug trafficking and smuggling	204	(208)	36.2%	(36.7%)	↘	43.0	(42.7)	→
Property crime	98	(84)	17.4%	(14.8%)	↑	40.5	(38.5)	↗
Tax and customs offences	57	(51)	10.1%	(9.0%)	↑	40.8	(42.1)	↘
Crime associated with the business world	53	(67)	9.4%	(11.8%)	↓	43.9	(43.3)	↗
Facilitation of illegal immigration	38	(46)	6.7%	(8.1%)	↓	32.5	(31.5)	↗
Violent crime	31	(28)	5.5%	(4.9%)	↑	41.1	(44.4)	↘
Cybercrime	22	(22)	3.9%	(3.9%)	→	38.0	(36.8)	↗
Counterfeiting/Forgery	20	(16)	3.6%	(2.8%)	↑	33.9	(38.7)	↓
Crime associated with night life	20	(15)	3.6%	(2.7%)	↑	44.0	(45.1)	↘
Money laundering	8	(12)	1.4%	(2.1%)	↓	38.8	(38.0)	↗
Environmental crime	3	(5)	0.5%	(0.9%)	↓	28.5	(33.8)	↓
Corruption	2	(2)	0.4%	(0.4%)	→	45,2	(30.5)	↑
Arms trafficking and smuggling	2	(5)	0.4%	(0.9%)	↓	34.0	(39.9)	↓
Other fields of crime	5	(5)	0,9%	(0.9%)	→	46.5	(41.8)	↑



## Drug trafficking and smuggling (204)

Distribution of dominant nationalities 2016



In spite of its slight decrease by 1.9 %, drug-related crime remained the main field of activity of OC in Germany. In 2016, a total of 204 OC groups dedicated to drug trafficking and smuggling were reported. Consequently, the share of this field of crime in all OC investigations remained at the same level as the year before. In the area of drug trafficking / smuggling, almost one third of the OC groups were active in more than one area of crime (31.4 %). In this context, mainly extortion and robbery offences, arms trafficking / smuggling and property crime were identified as secondary activities of these groups. With a share of nearly 40 %, OC groups dominated by German nationals continued to prevail in this field of crime (81; 2015: 88, 42.3 %). As in the previous years, these were followed by OC groups dominated by Turkish nationals with a rise to 33 OC investigations in the reporting year 2016 (2015: 27). Drug trafficking and smuggling focused on cocaine and cannabis products. In addition, the share of OC groups trafficking in several types of narcotic drugs rose by 31.0 % (2016: 38, 2015: 29).

The high pressure to supply cocaine via the large European seaports in the Netherlands and Belgium remained unabatedly high. Again, several thousand kilograms of cocaine were seized in Germany and other European countries of which the offenders in the ports of destination, for various reasons, never gained control but which ended up in the usual sales channels of the legal cover load instead. In consideration of the significant freight flows, the large quantities identified in this context suggest that there is a large volume of unidentified drugs in terms of the smuggling of cocaine into Western Europe in cargo containers.

Drug trafficking on the Internet is of great and still increasing importance as a distribution channel. It purportedly offers more anonymity and security to the consumers because personal contact with the street dealers can be avoided and the drugs ordered on the Internet are almost exclusively forwarded by post. The case numbers collected by the police about drug trafficking on the Internet do not reflect the real dimensions of this trade. Therefore, intensive monitoring is required to find out to what extent classical street-level drug trafficking is substituted by Internet trafficking. Here, the big challenge for the law enforcement authorities is to identify and prosecute the sellers despite the anonymisation mechanisms applied by the offenders.

### Case example of drug trafficking via Darknet and Internet

Investigations conducted in Lower Saxony revealed that significant quantities of drugs were sold to customers all over the world through a Dark Market forum.

An unknown user, whose account was apparently used by several persons, was found to be the seller of several types of narcotic drugs.

They operated their own online shop which could not only be reached via the Darknet (tor network) but also via the Clearnet (Internet). On the platform, the group also ran their own forums.

Through analyses and surveillance measures, several persons, i.e. the head of the OC group, the person dispatching the parcels, the keeper of the drug stash and the operator of the online shop were identified and the drug stash was located. In the further course of the investigations, three further persons were arrested who were involved in the procurement of the narcotic drugs in the Netherlands.

All in all, ten persons from various levels of the hierarchy were identified to whom more than 2,000 individual offences committed within a period of 4 months could be assigned and proved. They inter alia sold roughly 75 kg of amphetamine and approximately 13,000 ecstasy tablets worth about EUR 3.5 million. The payment of the narcotic drugs was exclusively made by means of the virtual currency "Bitcoin".

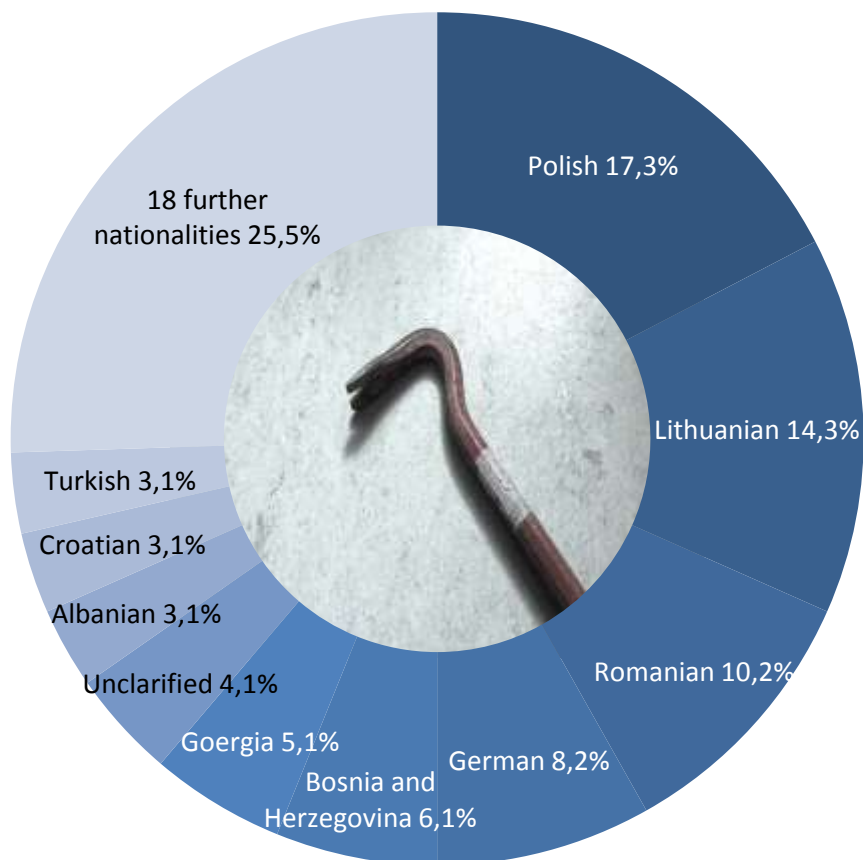
#### **Brief assessment:**

This case example shows that the trade in illegal goods such as narcotic drugs via criminal online market places has further established itself.

In addition, it becomes clear that the police is time and again able to identify the suspects in spite of the strong anonymisation possibilities on the Internet.

## Property crime (98)

### Distribution of dominating nationalities 2016



With a clear plus of 16.7 %, property crime once again ranked second among the fields of crime (2016: 98, 17.4 %; 2015: 84, 14.8 %).

The reason for this increase was above all the large number of 24 initial reports in the area of motor vehicle property offences. This area was also a focus within the field of property crime. With a total of 44 investigations, an increase of the motor vehicle property offences by 29.4 % was ascertained in the reporting year 2016, following a significant decrease in the previous year. These offences were mainly dominated by Polish (14, 31.8 %) and Lithuanian (12, 27.3 %) nationals.

In addition, the number of investigations concerning burglaries of business premises and/or dwellings has risen again: A total of 43 OC investigations concerned thefts by breaking and entering (2015: 37) which corresponds to an increase by 16.2 %.

A total of 31 groups of offenders from this field of crime (31.6 %; 2015: 20, 23.8 %) were active in more than one field of crime which represented an increase by 55.0 % as compared to the year 2015. As far as the secondary activities of the groups are concerned, counterfeiting and forgery (of vehicle documents) were the most frequent ones. OC suspects in the field of property crime cooperated for 2.1 years on average. Compared to the overall average of the OC situation report 2016 (3.1 years), this value is below average.

The situation of international vehicle trafficking is still characterised by the continuing demand for motor vehicles and vehicle parts in South-Eastern and Eastern Europe as well as the Near and Middle East. Furthermore, the offenders' degree of professionalism is growing. For example, they

now have better technical skills to overcome modern security features in motor vehicles and are very flexible with regard to the modus operandi to be applied within their network-like organisational structures. Therefore, a fundamental change of the crime situation in the area of vehicle crime cannot be expected.

Theft by breaking and entering will also continue to remain in the focus of the law enforcement authorities. The case numbers are expected to remain at a high level. This phenomenon can be countered only by further intensification of the efforts to suppress it.

### Case example of burglary of dwellings committed by Chilean nationals

In an investigation concerning a series of burglaries of dwellings, several Chilean nationals were arrested. They are said to have committed burglaries nearly every day.

For the trips to the crime scenes, they used vehicles which had previously been bought by means of stolen and forged Italian identity documents in order to conceal their identities. The loot - above all jewellery as well as consumer and communication electronics - was immediately sold to jewellers or similar purchase and sales points or directly sent to Chile by post via a so-called "resident" (in this case: a person with South-American migrant background who is domiciled in Germany). The cash gained from the sales in Germany was immediately transferred to Chile via financial service providers and then collected by family members and other Chilean nationals there.

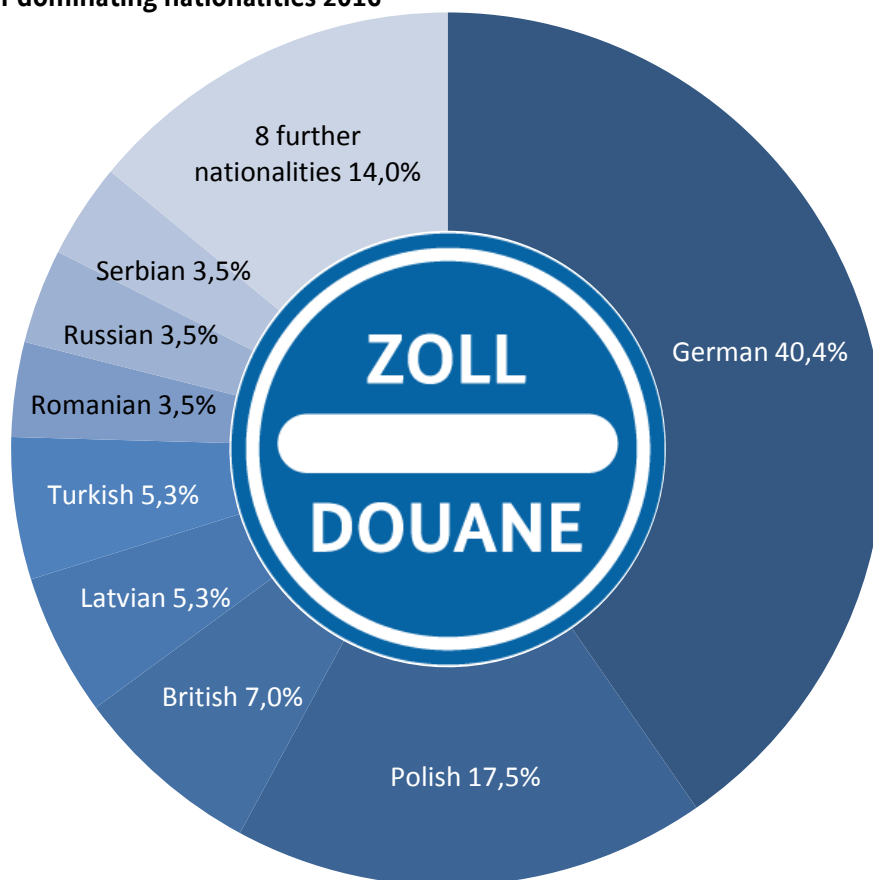
Usually, the offenders stay only a few months in a European country. When arrests/convictions occur, they move on to the next country and commit similar offences there. Analogical offences of this OC group dominated by Chilean nationals were also established in Austria and the Czech Republic.

#### **Brief assessment:**

The case example shows that the high degree of organisation in the case of property offences and the professional and experienced modus operandi complicate the investigations in this field of crime. Apart from that, domestic burglaries always spread considerable unease among the population.

## Tax and customs offences (57)

Distribution of dominating nationalities 2016



In the year under review, the number of investigations into tax and customs crimes rose by 11.8 % to 57 (2015: 51). With a share of 10.1 % (2015: 9.0 %), this field of crime is the third largest one. In this field, 86.0 % of the OC groups focused their activities on one specific area of crime (2015: 74.5 %). All in all, losses amounting to EUR 227 million were established. Consequently, with a share of 22.6 % of the total losses caused, tax and customs offences rank second in the 2016 OC situation report. With 49.1 %, cigarette smuggling was once again the main activity of OC groups operating in the area of tax and customs crime.

## Case example of tax and customs offences/energy tax fraud

In an investigation into suspected energy tax evasion pending at a tax investigation office in Northern Germany, the persons concerned were suspected of having produced lubricating oils whose composition was so similar to diesel that a factual use as fuel was possible if they were mixed with diesel. As has been proved, the lubricating oil was produced by mixing tax-free acquired diesel, base oil and bio diesel. Because of the fact that the two last-mentioned components were added, the lubricating oil was not subjected to energy tax. In this way, more than 200 million litres of lubricating oil, for which no tax was paid, were produced. By means of tanker trucks, it was transported to Eastern Europe (Latvia, Estonia, Lithuania, Poland, the Czech Republic, Slovakia) and Southern Europe (Italy, Cyprus, Malta) and sold as fuel there which would then have been subject to energy tax.

In order to conceal their offences, the suspects made use of a widely ramified network of companies. By selling the taxable fuel to other EU Member States, they caused a tax loss amounting to approximately EUR 97 million.

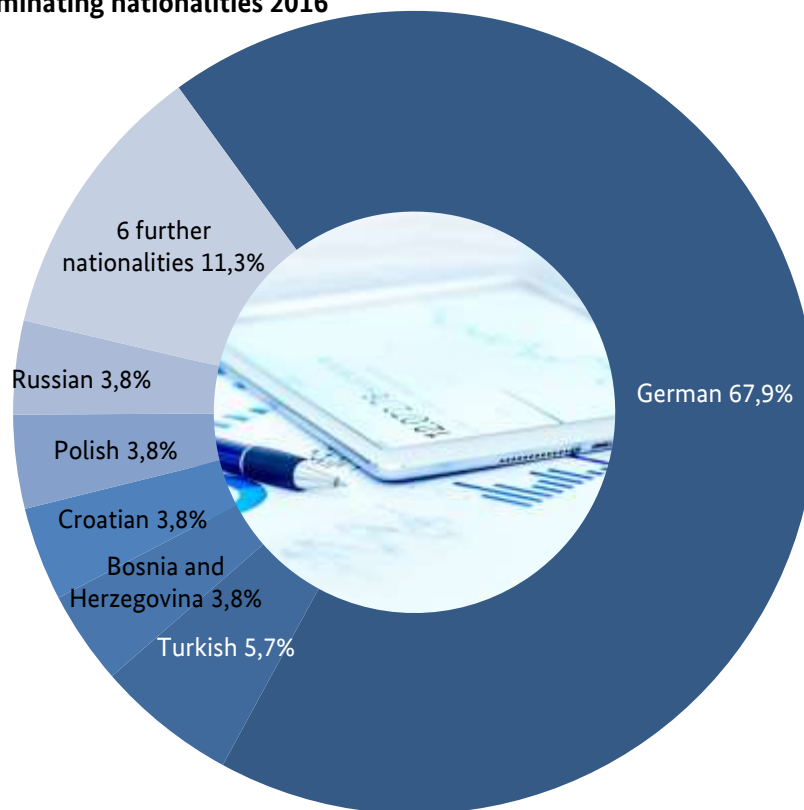
In January 2016, arrest warrants and search warrants were executed against the suspects. They are charged with the commission of more than 7,000 individual offences.

### **Brief assessment:**

Tax and customs offences are characterized by an especially high loss potential. As this case example shows, the offenders are time and again looking for new ways to circumvent the tax system in order to enrich themselves to a considerable extent by committing tax evasions.

## Crime associated with the business world (53)

Distribution of dominating nationalities 2016



For the field of crime associated with the business world, a total of 53 investigations were reported for the year 2016 (9.4 %; 2015: 67, 11.8 %). The persistent downward trend of the number of investigations conducted in this field also continued during the year under review: Compared to the previous year, a decrease by 20.9 % was identified, and since 2013 (76 OC investigations), the numbers have fallen even by 30.3 %.

71.7 % of the groups of offenders focused on one specific area of crime (2015: 76.1 %). They cooperated on average for 4.8 years - a value which is clearly above the average value of all OC groups (3.1 years) and, at the same time, the highest value of all fields of crime.

Crime associated with the business world was again largely dominated by German nationals (2016: 67.9 %; 2015: 56.7 %).

In addition to various fraud offences (25 investigations), the investigations often concerned offences involving investments (9).

In investigations concerning crime associated with the business world, losses totalling more than EUR 684 million were identified in 2016 (2015: approximately EUR 98 million), i.e. nearly seven times as much as during the year before. Taking into account the total loss amount of all OC investigations, this loss constituted more than two thirds of all losses reported.

In addition, the largest criminal proceeds (approximately EUR 630 million which corresponded to 75.0 % of the total amount; 2015: approximately EUR 67 million which corresponded to 29.1 % of the total amount) were identified in this field of crime, i.e. more than nine times as much as the year before.



White-collar criminals increasingly use the possibilities of the Internet, for example in order to spy out victims by means of "social engineering"<sup>13</sup>, to contact numerous potential victims, to conceal identities and monetary flows and to manipulate economic and financial markets.

### Case example of commercial fraud to the detriment of pension insurance funds

In an investigation into commercial fraud, several physicians, lawyers and annuity brokers were suspected of the following: over many years and with the help of false health certificates, expert opinions and findings reports, they prompted the "Deutsche Rentenversicherung" (German Federal Pension Insurance) to pay out reduced-earning-capacity pensions to third persons who were not entitled to them.

In this context, they acted on a division-of-tasks basis: The so-called "mediators" or "annuity brokers" recruited the "customers" (persons with simulated illnesses who wanted to receive a reduced-earning-capacity pension), the doctors were responsible for the medical care (issue of sick leave certificates, drawing up of false expert opinions) and the lawyers instituted the corresponding social lawsuits if the pension was rejected and legally represented the "customers". The annuity brokers received between EUR 2,000 and 8,000 from the "customers" for the retirement.

According to estimates of the pension insurance funds, the total loss would have amounted to approximately EUR 14 million if the group had not been dismantled.

#### **Brief assessment:**

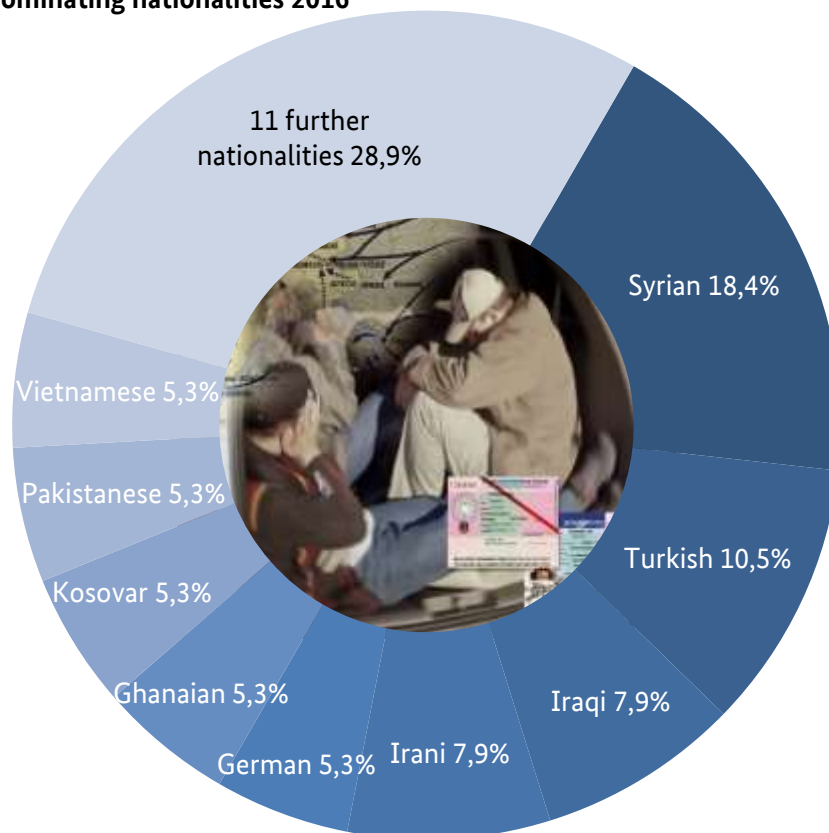
The investigation shows that Organised Crime can also abuse funds stemming from state systems. The case also proves how multi-faceted Organised Crime is becoming. The loss potential in this area is enormous.

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<sup>13</sup> A method to gain unlawful access to information by "sounding out" others. The personal environment of someone is spied out, and the knowledge on the victim is exploited in order to gain his/her confidence. Within this framework, the "human being as a weak point" and human qualities such as readiness to help, trust, fear or respect for authority are specifically exploited. The victims mostly act out of ignorance, a stress situation or politeness and thus become a tool of the attacker. A typical attack is the manipulation of employees by means of a phone call.

## Facilitation of illegal immigration (38)

### Distribution of dominating nationalities 2016



In the reporting year 2016, 38 investigations into facilitation of illegal immigration were reported, i.e. 17.4 % less than in 2015 (46).

The decrease in the number of investigations in Germany can inter alia be explained by a methodical change of the OC groups with respect to people smuggling. While numerous smuggling operations were carried out by vehicle in 2015, the border crossings in 2016 were increasingly conspiratorial with alternating modi operandi being applied (e.g. "container smuggling").

The facilitating networks were largely dominated by Syrian, Turkish, Iraqi and Iranian nationals, and primarily persons from the crisis regions in Syria, Iraq, Iran and Afghanistan were smuggled. In nearly all cases, Germany was the country of destination of the smuggling operations.

Increased and intensified police control measures prompt facilitators to fall back more frequently on hardly accessible and therefore hardly detectable hiding places. In most cases, these containers or hideouts are locked and actually constitute an inhumane form of transport in the dangerous goods sector. When choosing the hiding places, the facilitators act with ever greater professionalism. This often means a much higher effort to be made in order to carry out control measures. The lower the risk for the illegal immigrants to be detected, the higher are usually the related dangers to their life and limb. The facilitators at least tacitly accept these risks. In addition, facilitator networks are able to react quickly to changing conditions such as different border policies. While the Eastern Mediterranean route from Turkey via the Aegean Sea and the Balkans was still the most frequently used migration route to Europe during the first quarter of 2016, it lost importance during the second quarter of 2016 as a result of intensive border management measures and the implementation of the

EU-Turkey declaration. Since then, illegal migration via the central Mediterranean route has been prevailing. This route leads from Northern Africa, above all Libya, to Italy via the Mediterranean Sea and then on to Central Europe by land.

## Case Example of facilitation of illegal immigration

Based on a case during which more than 1,700 persons, mostly Syrian nationals, were apprehended on so-called "ghost ships" off the Italian coast, an investigation into commercial and gang-type facilitation of illegal immigration was initiated and then conducted by the Federal Police. The illegal migrants had accepted the offers made by facilitators to be smuggled from the Turkish seaport Mersin to Italy on freighters. For the smuggling trips, prices ranging from USD 4,500 to USD 6,000 (approximately EUR 4,100 to EUR 5,500) per person were demanded.

Based on the statements made by the illegal immigrants identified on the territory of the Federal Republic of Germany, the prices of the smuggling operations offered on the Facebook page "trips from Mersin to Italy" and the number of persons known thus far, criminal proceeds totalling approximately USD 9.5 million (approximately EUR 8.6 million) were established.

According to the information gathered so far, the group of facilitators consisted of the following hierarchy levels: organisers, intermediaries and recruiters. In addition, there was a sector responsible for the financial settlement of the smuggling operations - called the "money keeper" level.

In January 2016, joint operational measures were carried out by the Federal Police and the Turkish security agencies. In Turkey, parallel proceedings were conducted against the OC group prosecuted in Germany. In this context, ten arrest warrants were executed in Turkey. The persons arrested included those who played a leading role on the "intermediary" and "money keeper" levels.

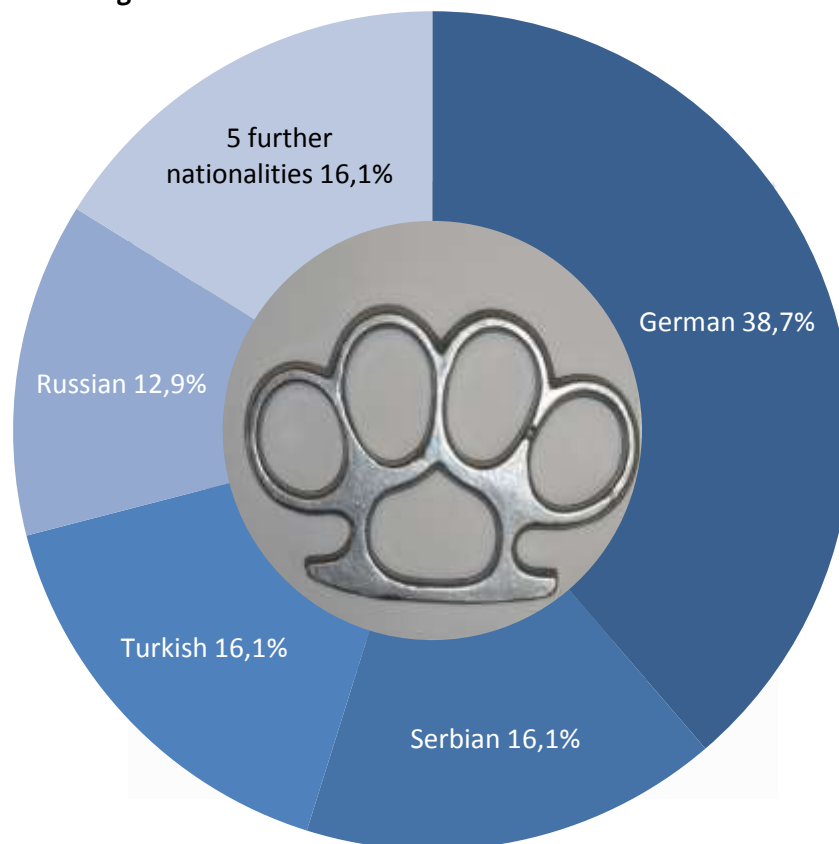
In Germany, five arrest warrants were executed, also against persons from the "organiser" level (e.g. the operators of the Facebook page).

### **Brief assessment:**

This investigation sheds light on the strong efforts in terms of work and organisation which the OC groups make in order to smuggle illegal migrants into the EU. If we look at the "income opportunities" of this "business model", the motivation of the smugglers for these strong efforts is without doubt understandable. However, smugglers are no humanitarian escape helpers but profit-oriented criminals who recklessly accept the risk of endangering the life and limb of the smuggled immigrants.

## Violent crime (31)

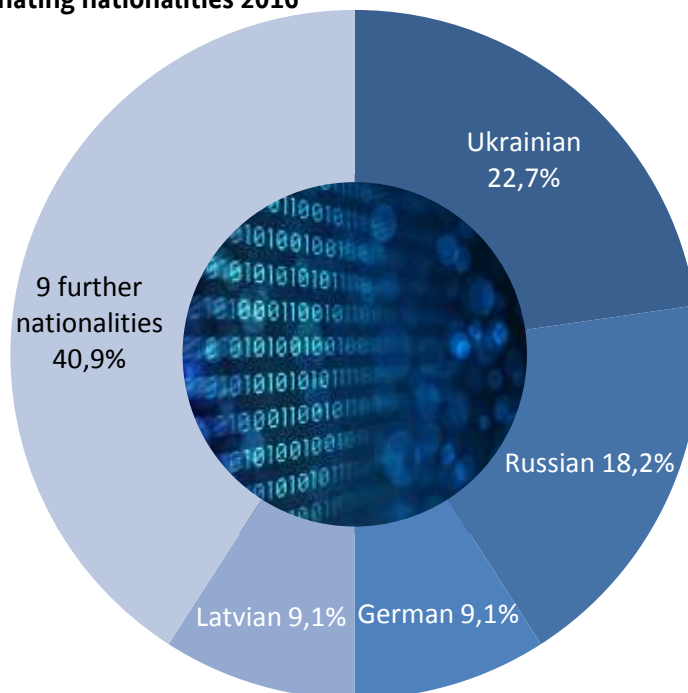
### Distribution of dominating nationalities 2016



The upward trend of this field of crime continued in 2016: The number of OC investigations rose by 10.7 % to 31 (2015: 28, 2014: 23). In this context, more than half of the groups of offenders acted in more than one area of crime (54.8 %) with drug trafficking / smuggling being the most frequent secondary activity. In 24 investigations (77.4 %), the suspects were found to be armed. For the most part, the groups of offenders were under investigation for extortion or offences against life. In addition, 61.3 % of the investigations reported in this field of crime were found to have links to outlaw motorcycle gangs or OMSG type groups (2015: 67.9 %). In contrast to all other fields of crime, which primarily feature international links, this was less frequently the case for violent crime.

## Cybercrime (22)

Distribution of dominating nationalities 2016



With a total of 22 cases, the number of Cyber OC investigations remained unchanged in comparison to the previous year. These Cyber OC groups were mainly dominated by nationals of the successor states to the Soviet Union, i.e. Ukraine (5), Russian Federation (4), Latvia (2) and Azerbaijan, Estonia, Lithuania and the Republic of Moldova (1 each) and mostly committed attacks on online banking (8; 36.4%) as well as computer fraud (5; 22.7 %).

Over the past years, organised offender structures have gained importance in the field of cybercrime. Today, the offenders no longer exclusively commit cyber offences. In the underground economy, they also offer the malware or even complete technical infrastructures required for committing these offences. Due to their easy handling, these tools also make it possible for offenders without specialised and sound IT knowledge to commit offences via the Internet. Therefore, the field is no longer operated exclusively by highly specialised individual offenders with comprehensive IT knowledge but there is a growing number of criminals without specific expert knowledge who buy the know-how and resources required for committing the offences or who contribute their individual criminal skills to a heterogeneous group and act on a division-of-tasks basis.

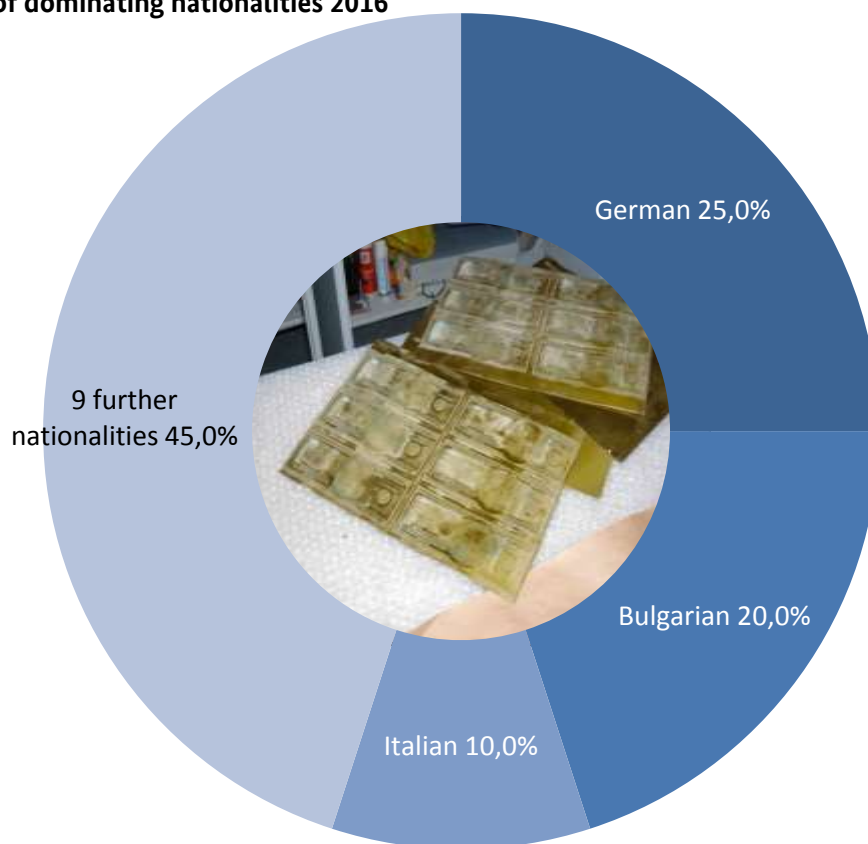
### „Underground Economy“



*From a police point of view, "underground economy" is defined as a large number of commercially and service-oriented communication and sales platforms on the Internet which compete with each other and usually take the shape of discussion forums and online shops. Most of these platforms are of an illegal nature and are considered to be a profit-oriented and cross-border virtual market place of the shadow economy. As in the legal economy, the prices are formed depending on the price mechanism of "supply and demand" and taking into account evaluation systems applied by the customers. Moreover, the offenders use these platforms in order to develop and discuss ideas about new modi operandi.*

## Counterfeiting/Forgery (20)

Distribution of dominating nationalities 2016

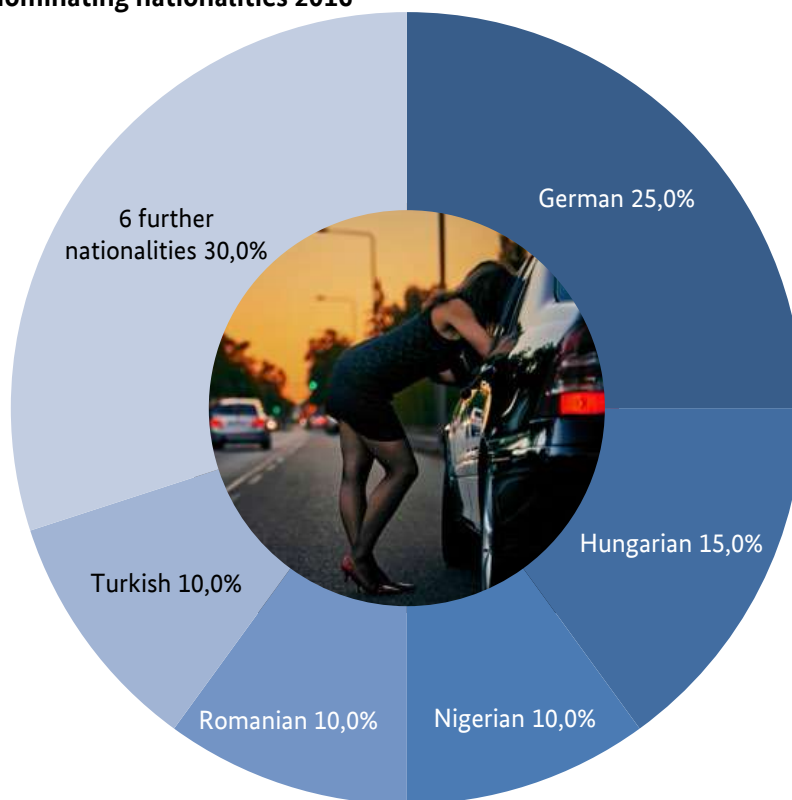


In the field of counterfeiting / forgery, the number of OC investigations rose by one quarter to 20 (2015: 16). Here, most of the groups of offenders focused on one area of crime (i.e. 75.0 %; 2015: 62.5 %). Above all, identity documents / driving licenses, payment cards and cash (false Euros) were counterfeited / forged.

In spite of the efforts made by the European Central Bank to improve the security features when issuing new series, counterfeit currency crime is only temporarily affected by it. The counterfeiters are able to adapt to new requirements within a short period of time. Due to the stability of the Euro, we assume that counterfeit currency crime is going to remain a field of activity of criminal organisations in the future.

## Crime associated with nightlife (20)

### Distribution of dominating nationalities 2016



In 2016, the field of crime associated with nightlife increased by one third to the number of 20 OC investigations (2015: 15). These investigations were conducted almost exclusively (90.0 %) into trafficking in human beings for the purpose of sexual exploitation. The victims stemmed inter alia from Bulgaria, China, Germany, Nigeria, Romania and Hungary.

## Money laundering (8)

The field of money laundering was again characterized by dropping numbers of investigations. In the reporting year 2016, a total of eight OC investigations were pending, i.e. four less than in 2015 (2014: 20). Most OC groups active in the field of money laundering were still dominated by German nationals.



## Environmental crime (3)

A total of three OC investigations concerning environmental crime<sup>14</sup> were reported (2015: 5). Without exception, these investigations were conducted for illegal production and distribution of food products and pharmaceuticals and were dominated by German nationals.



## Corruption (2)

In 2016, two OC investigations were conducted into corruption (2015: 2). Both OC groups were dominated by German nationals.



## Arms trafficking and smuggling (2)

In the field of arms trafficking and smuggling, two OC investigations were conducted in 2016 (2015: 5). Both investigations concerned illegal trade in war weapons and firearms. The OC groups were dominated by Bosnian-Herzegovinian and Bulgarian nationals.



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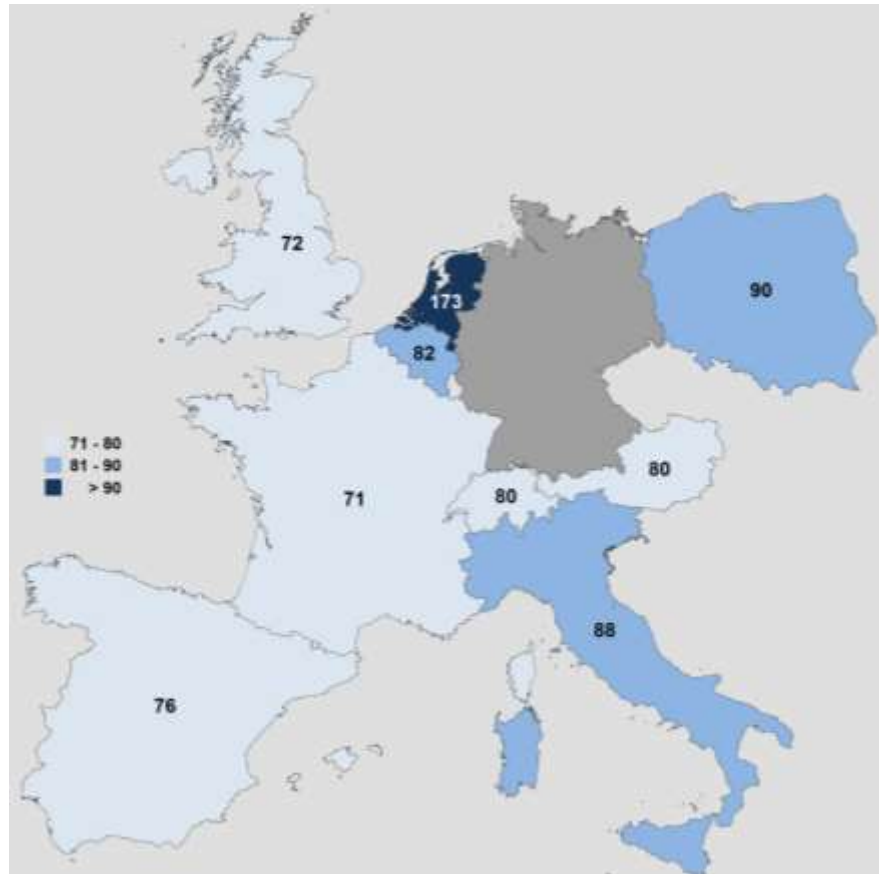
<sup>14</sup> In addition to offences endangering the environment, the area of illegal production and circulation of foodstuffs and pharmaceuticals as well as violations of the Convention on Endangered Species form part of "environmental crime".



# 4 International aspects of Organised Crime

In 2016, 441 OC investigations (2015: 448) with links to foreign countries were reported. Connections/links from Germany to a total of 125 different countries (2015: 122) were established. These figures prove the international nature of Organised Crime.

173 OC investigations have links to the Netherlands which are by far the most, compared to other countries. These investigations mainly concerned the field of drug trafficking / smuggling. Fewer links of the OC investigations were established from Germany to the neighbouring countries Belgium, France, Austria, Switzerland and Poland.



In March 2017, Europol published the current report on Serious and Organised Crime (European Union Serious and Organised Crime Threat Assessment - SOCTA 2017). The SOCTA is an analysis of the current and future threats which emanate from Serious and Organised Crime according to the assessment of Europol. It is drawn up every four years and part of the "Policy Cycle" of the European Union (EU) for the suppression of Serious and Organised Crime. The EU Policy Cycle was introduced as an approach to the suppression of the strongest criminal threats to the EU. During the four-year cycle, the coordination and cooperation in specific prioritised fields of crime are to be optimised.

Europol draws up the SOCTA on the basis of data which have been transmitted by the law enforcement authorities of the Member States. In addition, data of Europol itself as well as other EU authorities (Frontex, Eurojust), partner countries and open sources are used for drawing up the report.

According to the SOCTA 2017, investigations are pending against more than 5,000 OC groups (Organised Crime Groups) all over Europe at present. More than 180 countries are involved in these investigations.

As for the structures of the groups, the report contains the following findings: Two thirds of these groups are hierarchically structured and only one fifth of the groups were formed for a short period of time only. Roughly one fourth of the OC groups consist of more than six persons.

The fields of crime assessed as threatening by Europol include cybercrime, drug-related crime, organised property crime, trafficking in human beings and facilitation of illegal immigration. In the opinion of Europol, Serious and Organised Crime poses a central threat to the security of the EU. OC groups and individual offenders earn profits of several billion Euros from their activities.

An important aspect is technological progress which does not only influence society and economy but has meanwhile also become an integral part of nearly all criminal activities. In particular, this includes information technology and the possibilities of printing processes.

The overview of the pan-European situation of Serious and Organised Crime in the SOCTA 2017 clearly shows that suppression of OC does not only play a special role in Germany but also at European level.

The fields of crime of OC and the activities of the criminal groups are manifold. The threat potential is still considered to be high in Germany. The focal points of Serious and Organised Crime, which were identified in the European countries, are jointly combatted with the help of Europol and by means of coordinated measures and operations both at strategic and operational level.

### Case example of international trafficking in heroin, cocaine and marijuana

In an investigation conducted into suspected violation of the Narcotic Drugs Act, an internationally active group was identified.

The OC group dominated the heroin, cocaine and marijuana trade in a certain region in Southern Germany, had a pyramid-like structure and acted on a division-of-tasks basis.

The organiser lived in the Netherlands and in Columbia and was in contact with an intermediary from Serbia. The latter, in turn, maintained contact with the middlemen and couriers. A logistician from Austria supplied the group of offenders with the vehicles required.

Violence was used both internally to punish members of the group and externally to intimidate debtors.

The marijuana from Serbia and the heroin and cocaine from the Netherlands were transported to Germany via Austria. For delivering the narcotic drugs and transporting them from Austria to Germany, different couriers were used in each case.

Proof has been furnished that the members of the OC group traded in 49 kg of marijuana and 12 kg of heroin within one year while 3.7 kg of cocaine were sold as a secondary business only.

#### **Brief assessment:**

The case illustrates the international networking of OC groups which requires a likewise international suppression approach by the law enforcement authorities in order to fight these groups with a long-term impact.

# 5 Overall assessment

The threat and loss potential of Organised Crime continues to remain at a high level. This is also substantiated by the enormous rise of total losses compared to 2015.

Organised Crime is active in all fields of crime. The classical focal points of Organised Crime (IOC, REOC and outlaw motorcycle gang crime) are still very significant. The groups of offenders adapt to social and technological conditions and are able to adjust their approaches and behaviour to them. National borders do not stop the OC groups; instead, they cooperate closely with groups from abroad. Their degree of professionalization is on the rise. This is reflected, among other things, by their high mobility. For example, groups travel to Germany in order to commit offences here for a certain period of time and subsequently return to their home countries.

Especially the *modi operandi* of the OC groups, which depend on progressing technological developments, such as the use of encrypted communication or the opportunities of the Internet as an instrument of crime, pose major challenges to the law enforcement authorities. For example the volume of the data to be secured is growing, so that personnel-intensive and time-consuming investigations become necessary on a regular basis.

The numerous OC investigations conducted in 2016 revealed various focal points again. These investigations were conducted into drug trafficking / smuggling, property crime and tax and customs offences. Although the number of investigations into crime associated with the business world dropped, the losses caused by this field of crime rose considerably at the same time. In the field of cybercrime, the number of OC investigations conducted remained constant. These phenomena - including facilitation of illegal immigration - are still of great importance within the framework of OC suppression and are intensely investigated and prosecuted.

The central objective of OC suppression is the dismantling of OC groups on a long-term basis. In particular, this includes the seizure or confiscation of illegally obtained assets both in Germany and abroad. The Act reforming asset confiscation under criminal law, which was adopted by the German Federal Parliament and came into force on 01/07/2017, is *inter alia* supposed to facilitate the seizure or confiscation of illegal funds.

The German police react flexibly to the challenges unfolding in the suppression of Organised Crime. By means of a structured prioritisation process, the focal points are singled out from the large number of OC investigations. The significance ascribed to these phenomena has led to a consensus-based cross-border cooperation. Links to foreign countries surface regularly and in each case, a close cooperation with foreign police services and Europol takes place. Depending on the links of the investigations, transnational Joint Investigation Teams (JIT) are created, for example. Besides this, the liaison officers of the Bundeskriminalamt, who are deployed abroad, promote a fast bilateral exchange of information.

# Annex

## Overview of dominating nationalities (excerpt)

### 1) Groups dominated by German nationals (186)

Fields of crime		
Drug trafficking and smuggling	81	43,5%
Crime associated with the business world	36	19,4%
Tax and customs crime	23	12,4%
Violent crime	12	6,5%
Property Crime	8	4,3%
Money laundering	6	3,2%
Counterfeiting/forgery	5	2,7%
Crime associated with nightlife	5	2,7%
Environmental Crime	3	1,6%
Cybercrime	2	1,1%
Corruption	2	1,1%
Facilitation of illegal immigration	2	1,1%
Other fields of crime	1	0,5%

Change compared to the previous year:

**-6.1 %**

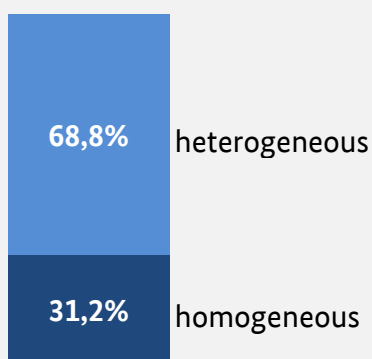
Ø duration of the cooperation:

**3.7 years**

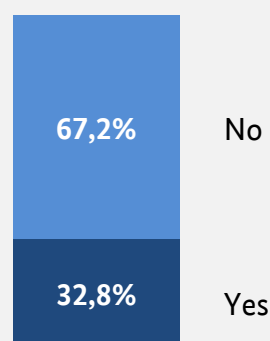
Ø OC potential:

**41.9 points**

#### Offender structure



#### Active in more than one area of crime?



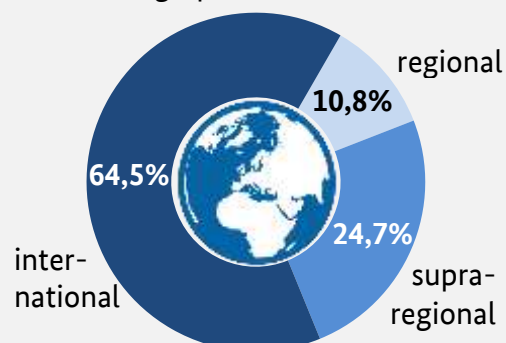
#### Financial aspects

**Loss:** EUR 744.302.065  
(Average per case: EUR 4.001.624)

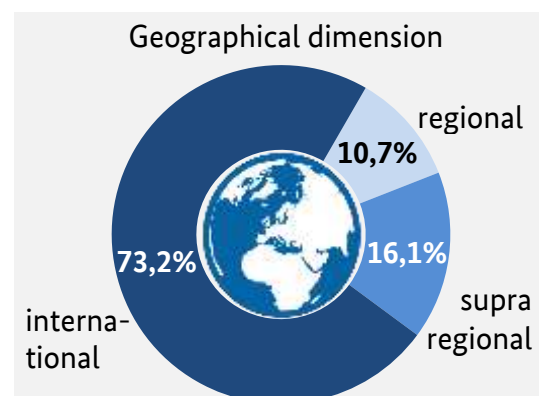
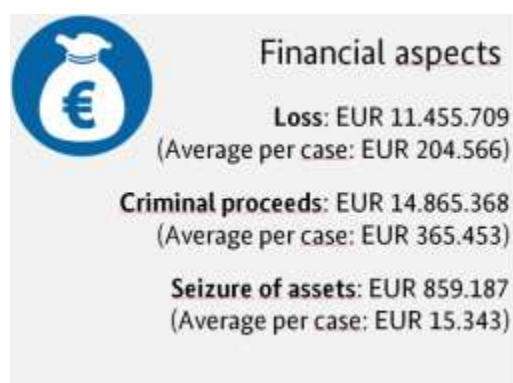
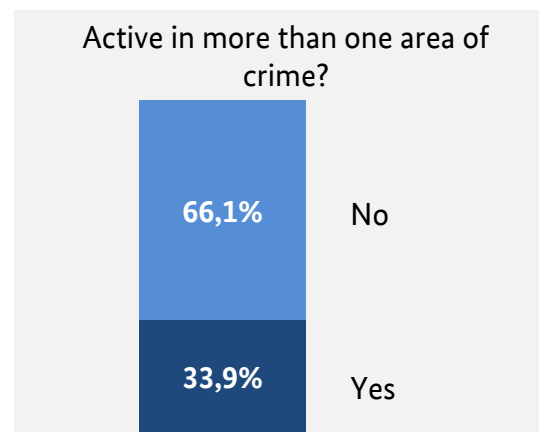
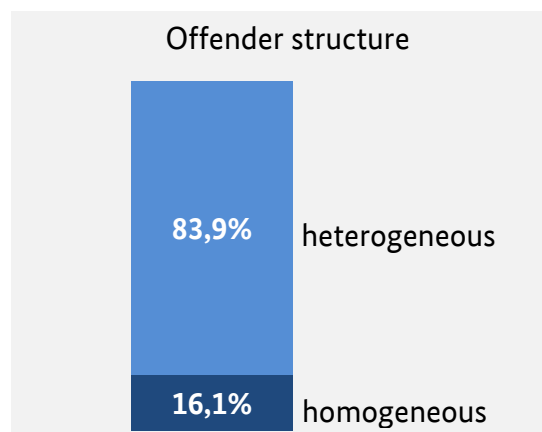
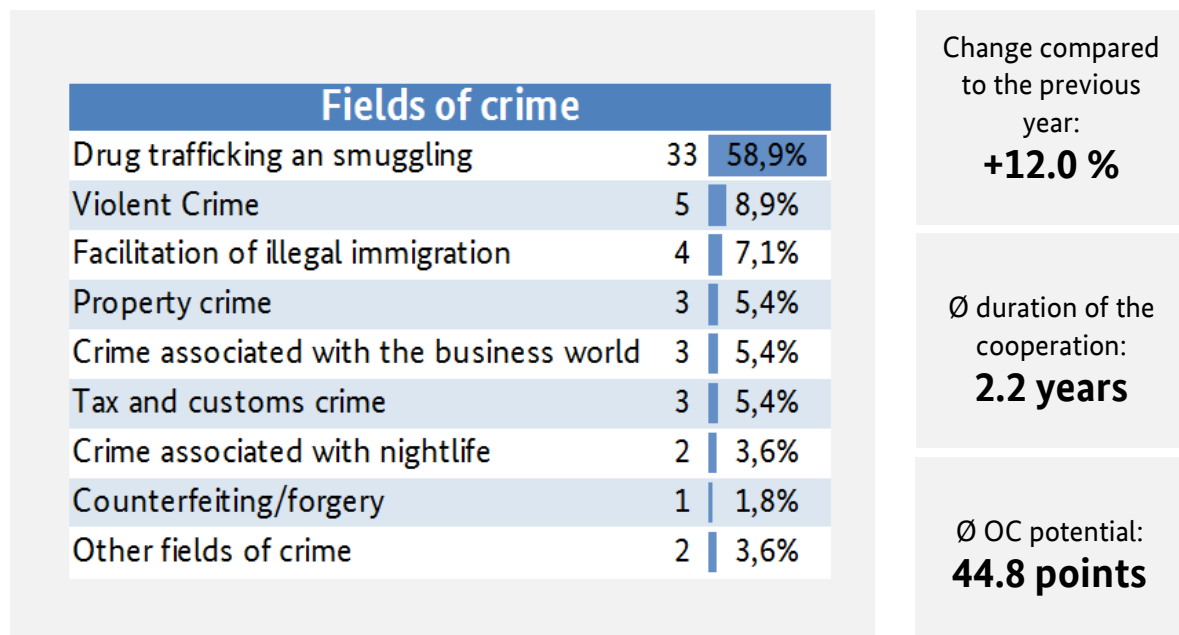
**Criminal proceeds:** EUR 712.340.811  
(Average per case: EUR 3.829.789)

**Seizure of assets:** EUR 45.641.884  
(Average per case: EUR 245.386)

#### Geographical dimension



## 2) OC groups dominated by Turkish nationals (56)



### 3) OC groups dominated by Polish nationals (33)

Fields of crime		
Property crime	17	51,5%
Tax and customs crime	10	30,3%
Crime associated with the business world	2	6,1%
Cybercrime	1	3,0%
Crime associated with nightlife	1	3,0%
Facilitation of illegal immigration	1	3,0%
Other fields of crime	1	3,0%

Change compared to the previous year:

**-17.5 %**

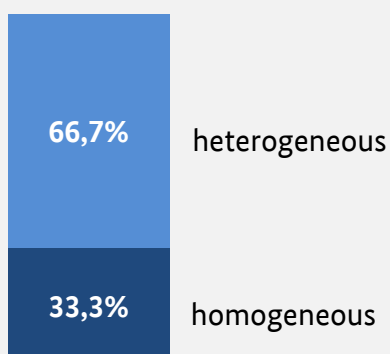
Ø duration of the cooperation:

**2.9 years**

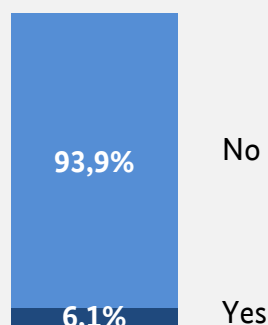
Ø OC potential:

**42.7 points**

#### Offender structure



#### Active in more than one field of crime?



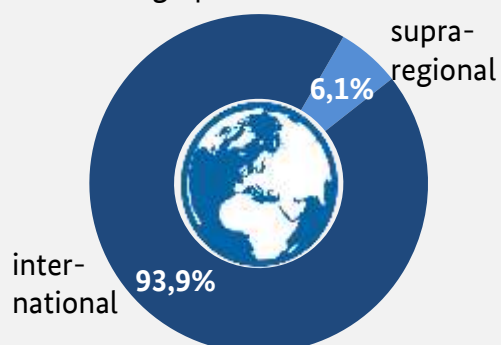
#### Financial aspects

**Loss:** EUR 102.862.849  
(Average per case: EUR 3.117.056)

**Criminal proceeds:** EUR 8.119.785  
(Average per case: EUR 246.054)

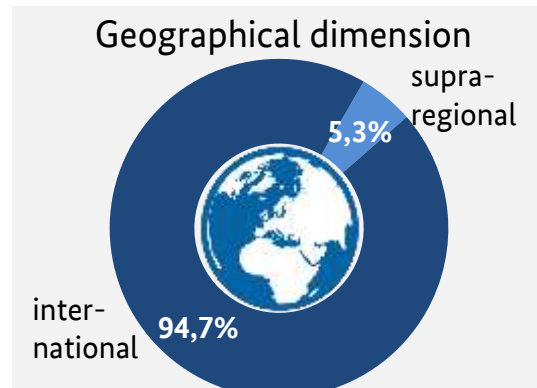
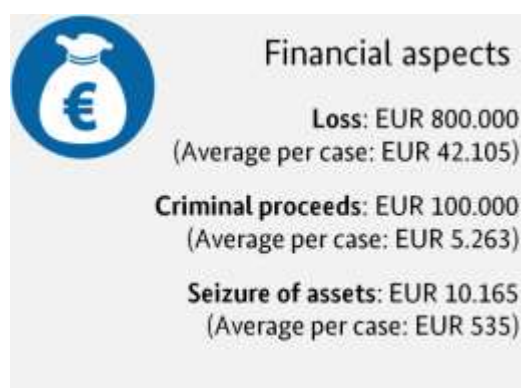
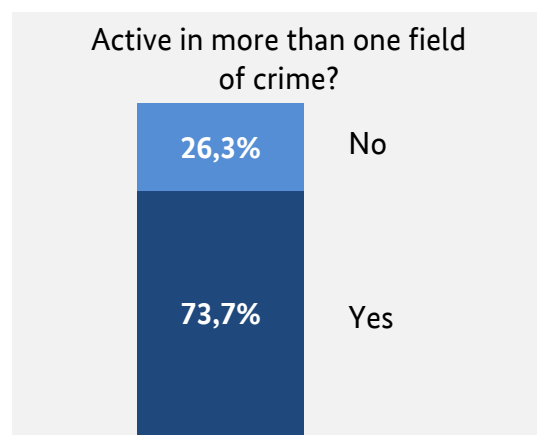
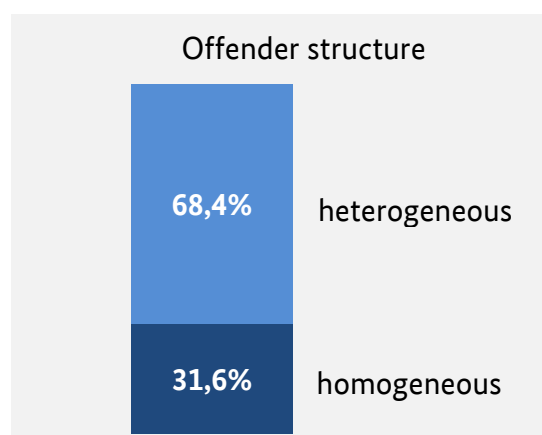
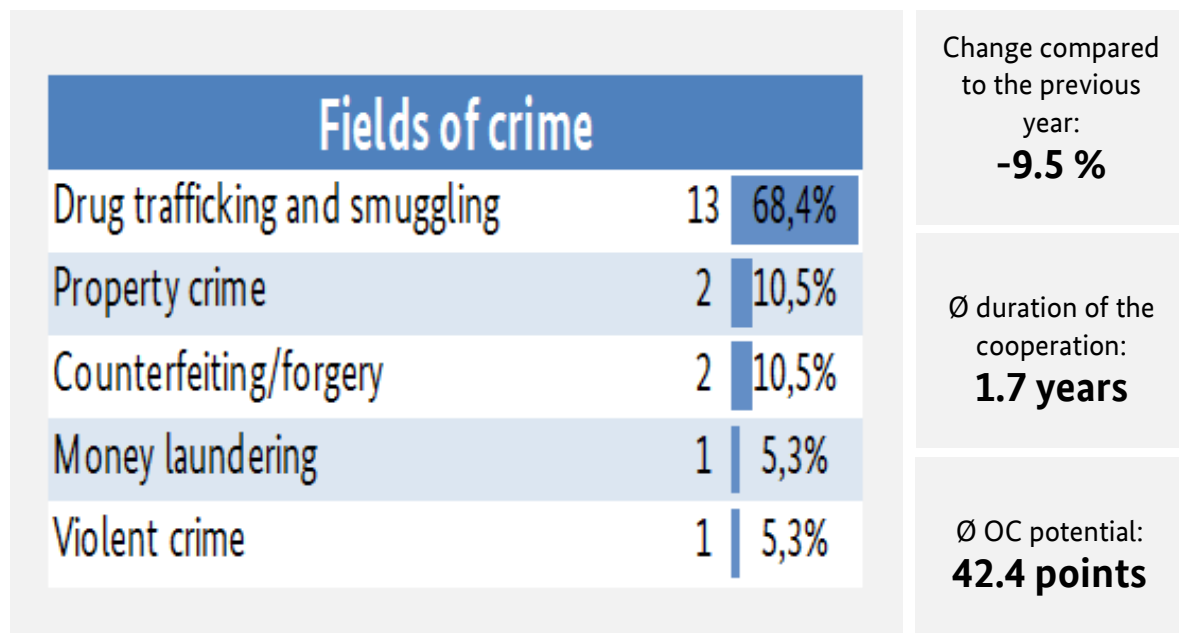
**Seizure of assets:** EUR 1.243.225  
(Average per case: EUR 37.673)

#### Geographical dimension



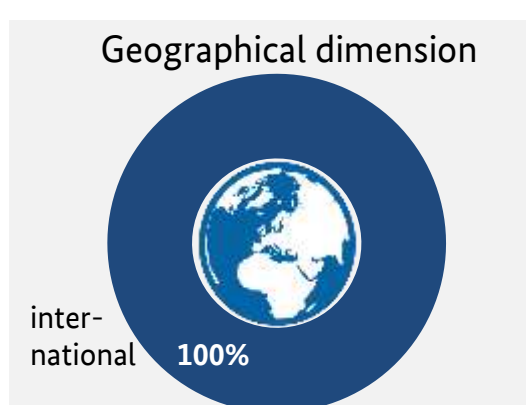
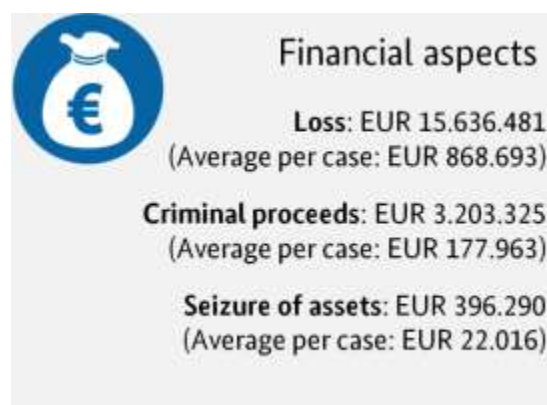
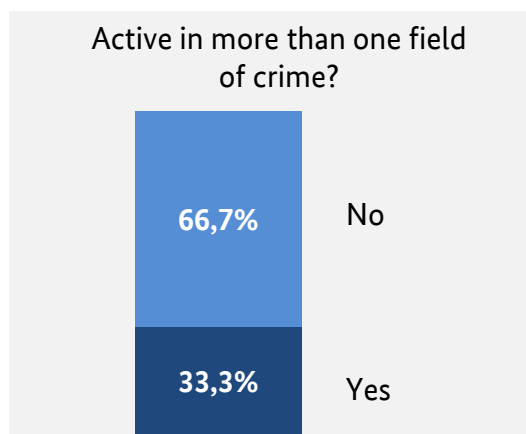
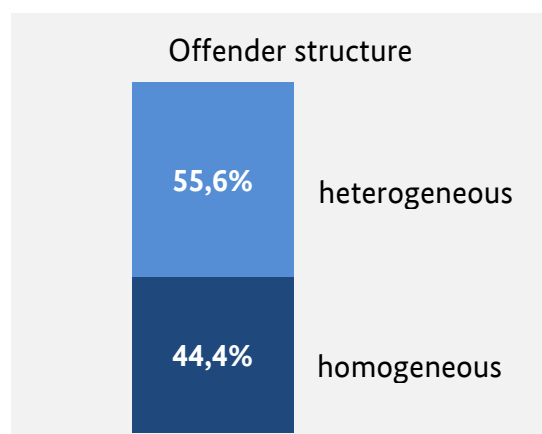


#### 4) Groups dominated by Italian nationals (19)

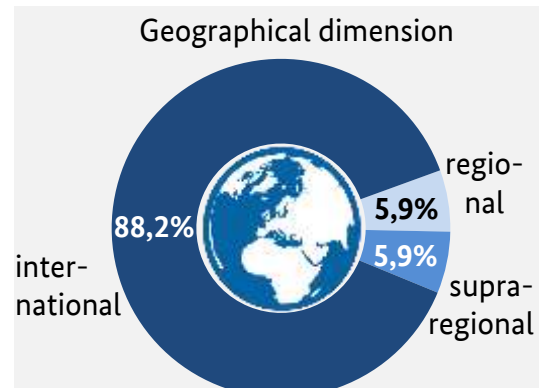
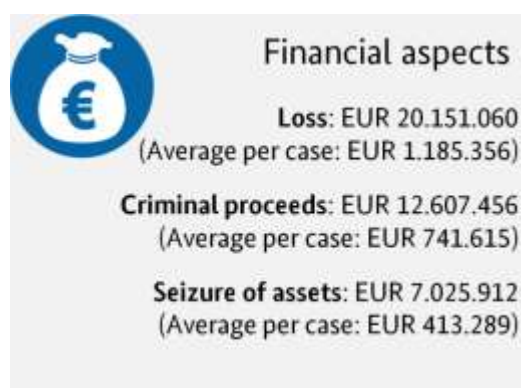
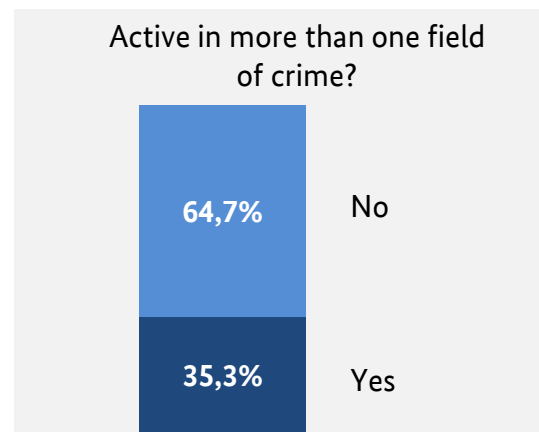
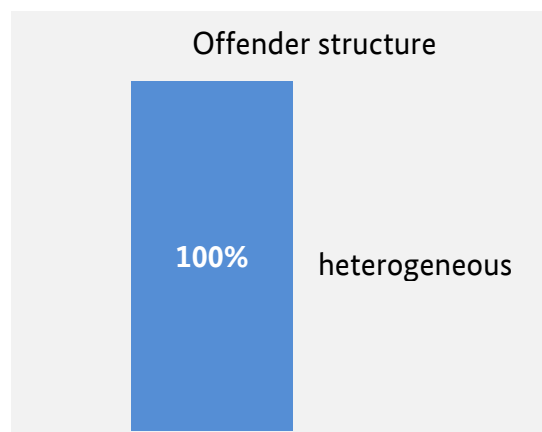
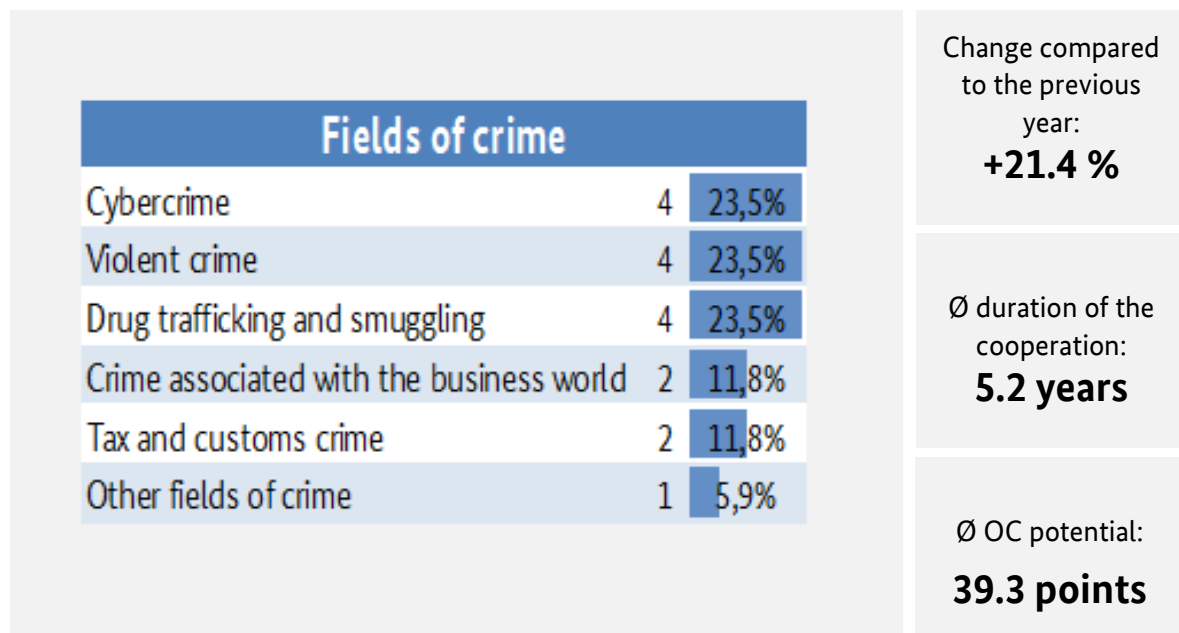




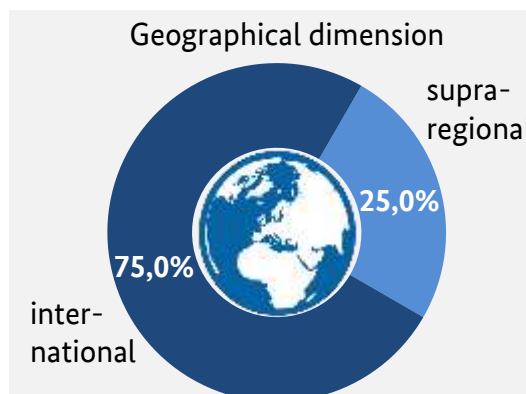
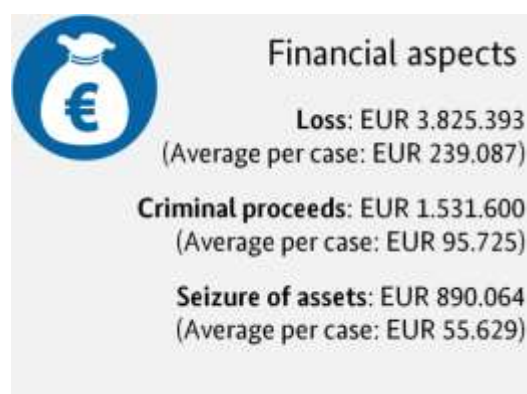
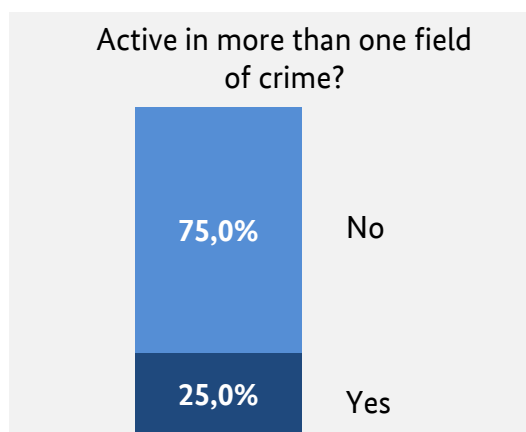
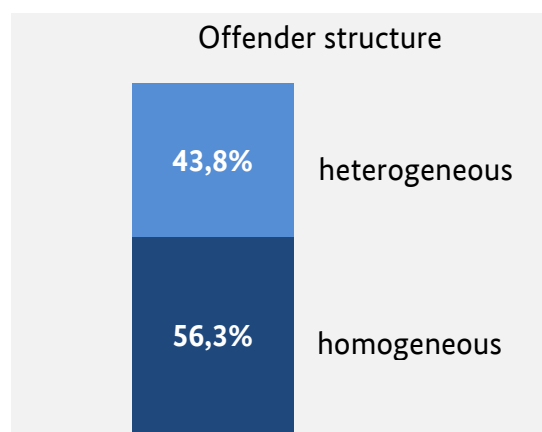
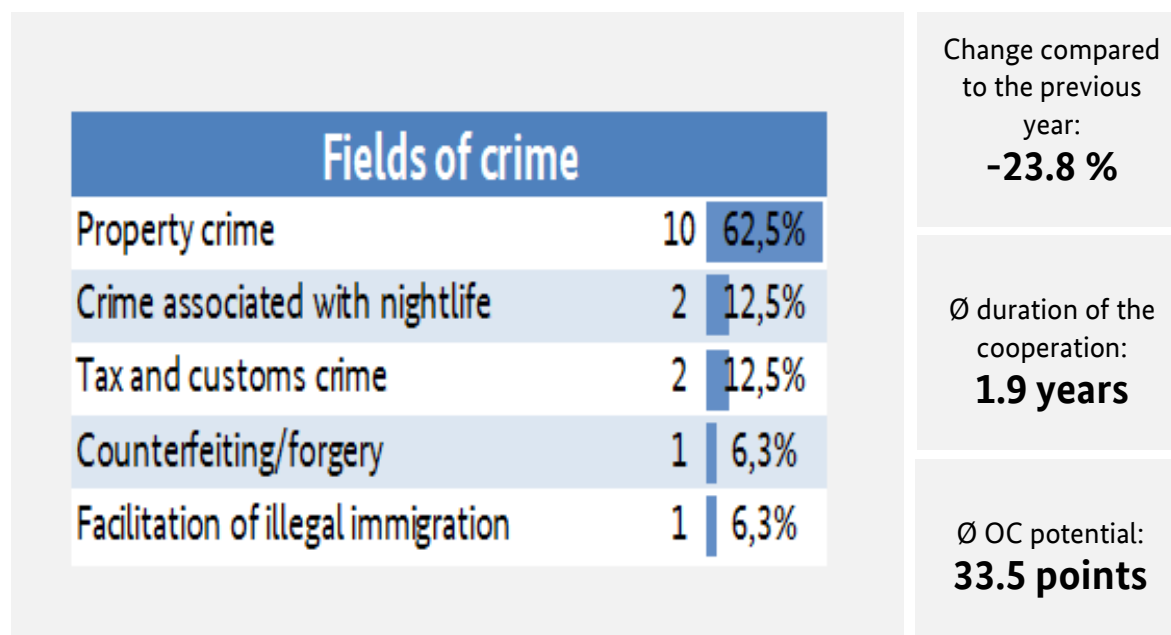
## 5) Groups dominated by Lithuanian nationals (18)



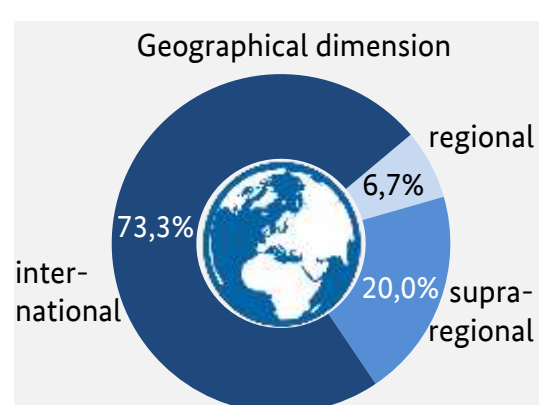
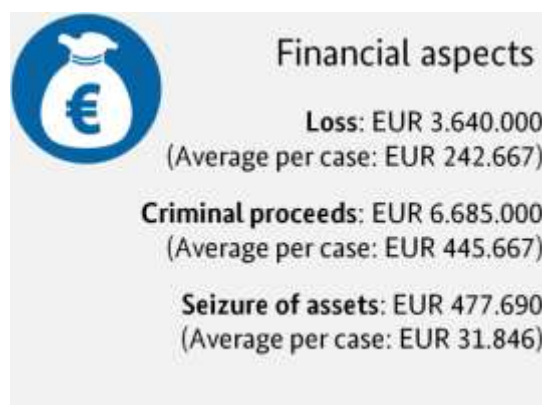
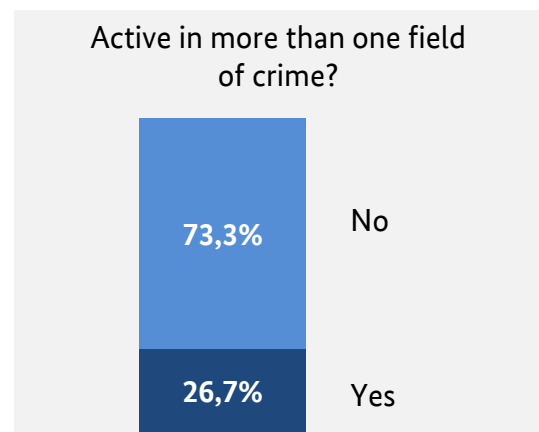
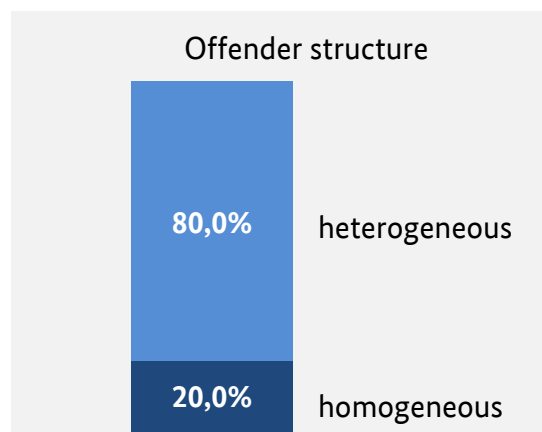
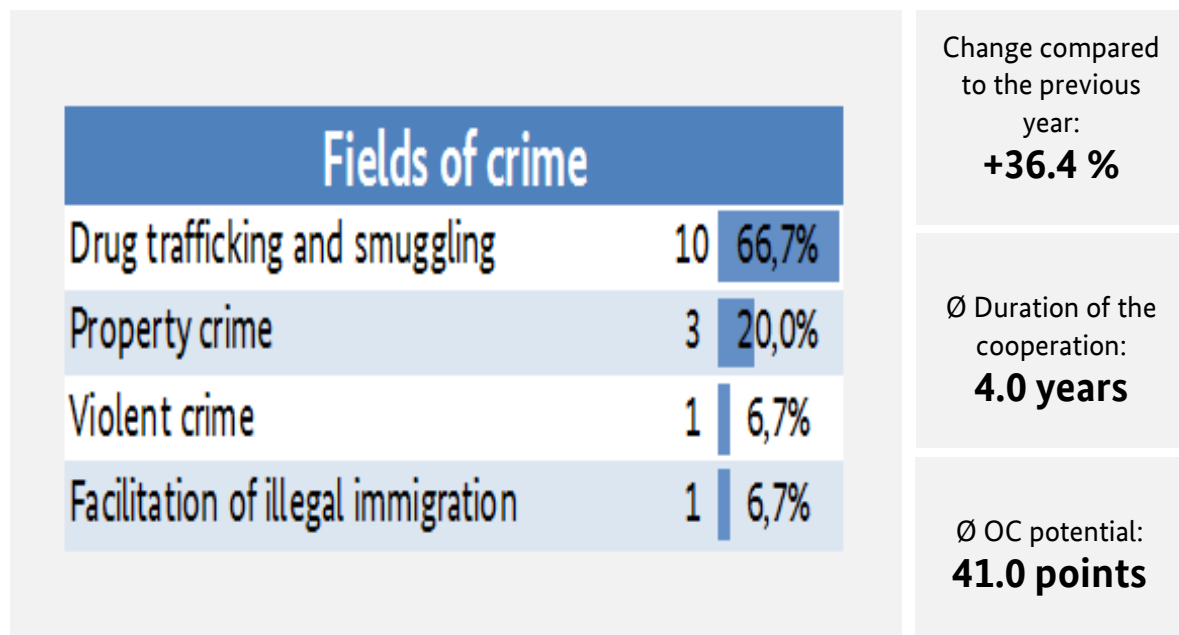
## 6) Groups dominated by Russian nationals (17)



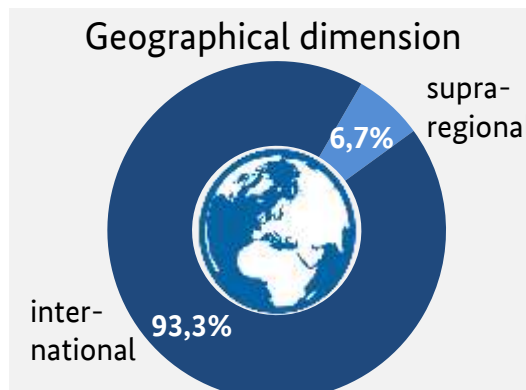
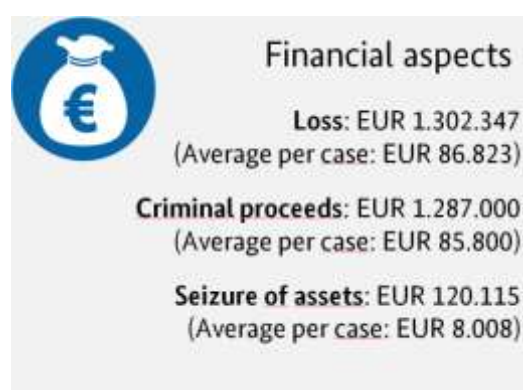
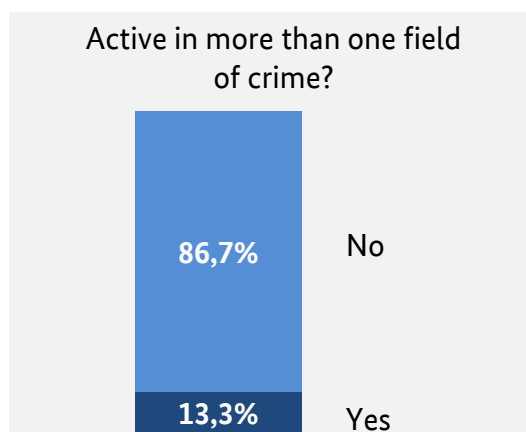
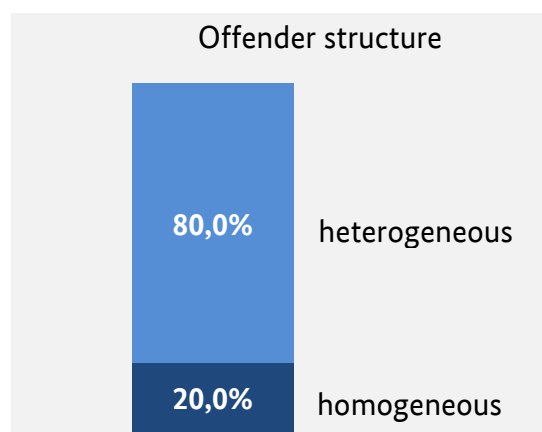
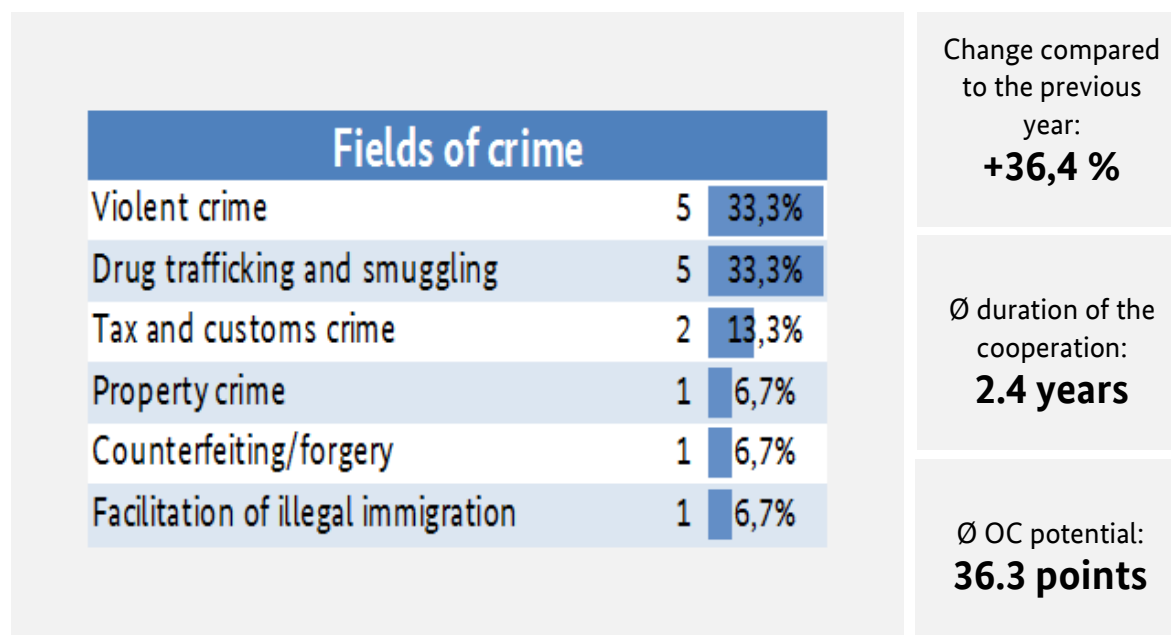
## 7) Groups dominated by Romanian nationals (16)



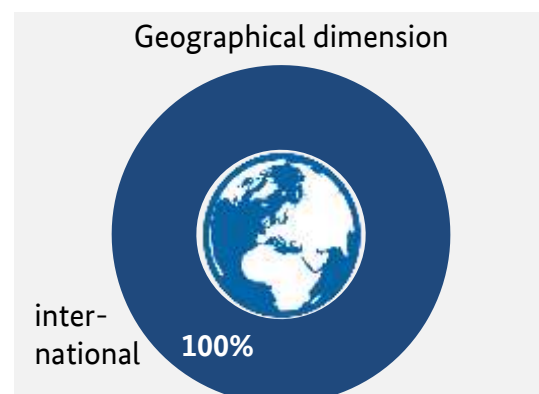
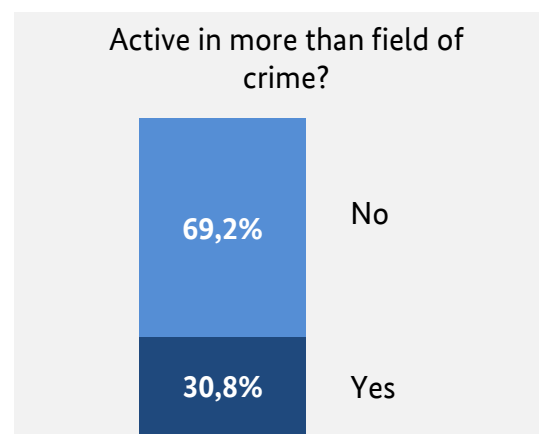
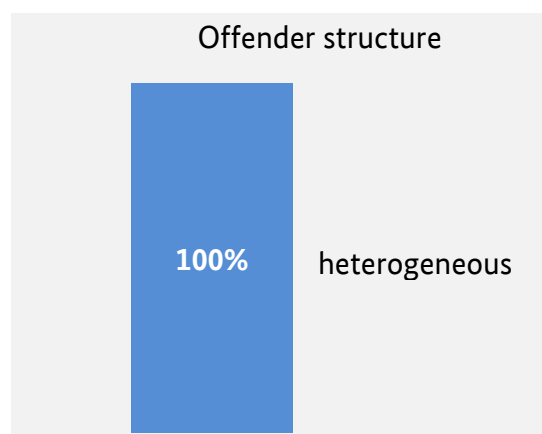
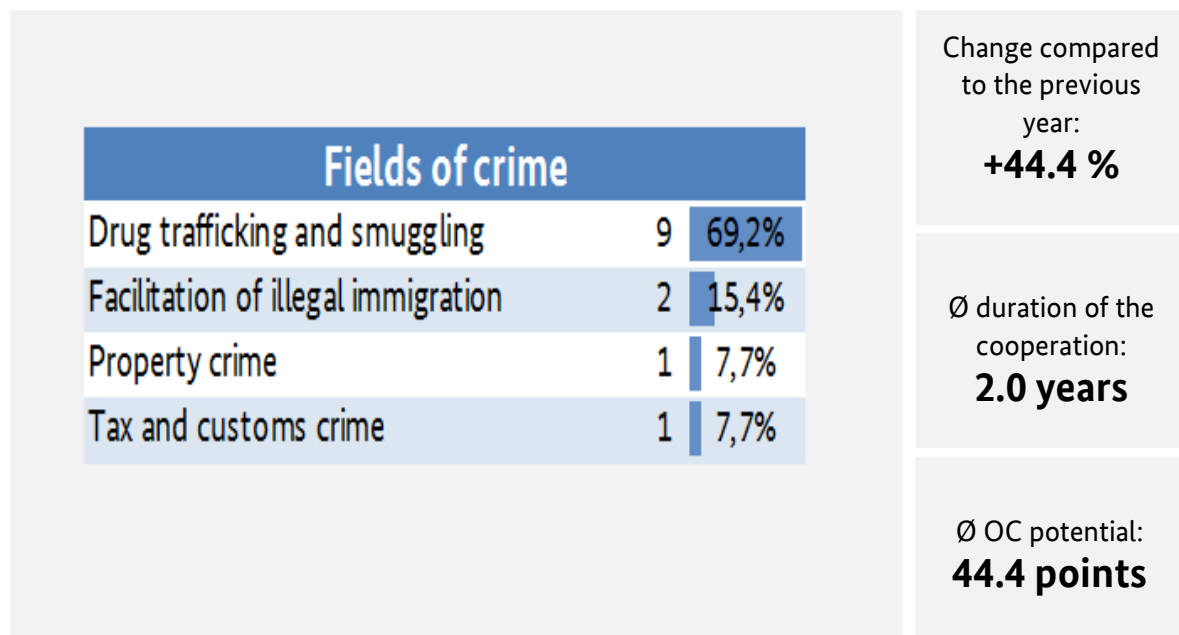
## 8) Groups dominated by Albanian nationals (15)



## 9) Groups dominated by Serbian nationals (15)



## 10) Groups dominated by Vietnamese nationals (13)



## 11) Groups dominated by Bosnian-Herzegovinian nationals (12)

Fields of crime		
Property crime	6	50,0%
Crime associated with the business world	2	16,7%
Cybercrime	1	8,3%
Crime associated with nightlife	1	8,3%
Drug trafficking and smuggling	1	8,3%
Arms trafficking and smuggling	1	8,3%

Change compared to the previous year:

**+140,0 %**

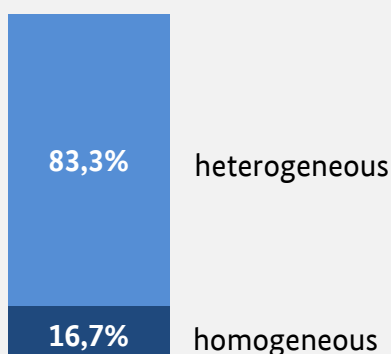
Ø Duration of the cooperation:

**3.2 years**

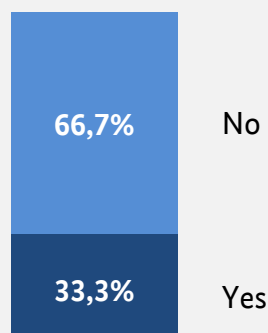
Ø OC potential:

**44.2 points**

Offender structure



Active in more than one field of crime?



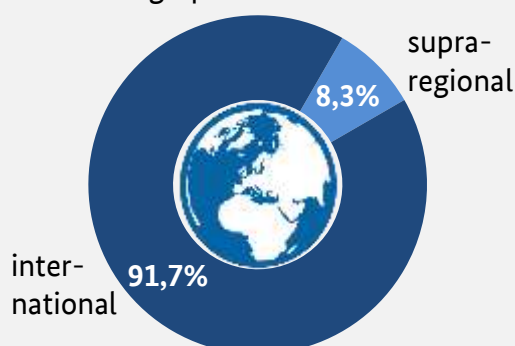
Financial aspects

**Loss:** EUR 3.349.000  
(Average per case: EUR 279.083)

**Criminal proceeds:** EUR 2.047.690  
(Average per case: EUR 170.641)

**Seizure of assets:** EUR 427.500  
(Average per case: EUR 35.625)

Geographical dimension



## Alphabetical overview of all nationalities identified (order based on German alphabet)

Country	Dom. Grp.	Suspects	Suspects (new)
Afghanistan	1	12	6
Egypt	0	3	3
Albania	15	144	89
Algeria	1	6	0
Angola	0	2	2
Argentina	0	3	3
Armenia	4	39	15
Azerbaijan	3	24	10
Australia	0	2	1
Bangladesh	0	1	1
Belgium	0	29	6
Benin	1	5	2
Bosnia and Herzegovina	12	102	70
Brazil	1	4	1
Bulgaria	9	132	81
Burundi	0	1	0
Chile	1	12	12
China	2	13	3
Costa Rica	0	2	0
Denmark	1	16	1
Germany	186	2.809	1.147
Dominican Republic	0	3	2
Ecuador	0	2	0
El Salvador	0	2	0
Ivory coast	0	2	1
Estonia	1	28	14
Finland	0	5	0
France	0	23	7
Georgia	6	64	42
Ghana	4	11	5
Greece	0	35	14
United Kingdom	5	113	47
Guinea	1	6	6
India	2	17	0
Iraq	4	52	32
Iran	7	43	31
Iceland	0	2	0
Israel	0	4	0



Country	Dom. Grp.	Supects	Suspects (new)
Italy	19	218	76
Jordan	0	3	3
Cameroun	1	11	4
Canada	0	6	2
Kazakhstan	1	27	6
Kenya	0	2	1
Kyrgyzstan	0	1	0
Colombia	1	6	1
Kongo	0	1	0
Democratic Republic of Congo	0	4	3
Dem. People's Rep. of Korea	1	3	0
Republic of Korea (South-Korea)	0	1	0
Kosovo	7	80	41
Croatia	8	117	64
Cuba	0	1	1
Latvia	6	79	26
Lebanon	11	90	43
Libya	0	1	1
Lithuania	18	1.061	115
Luxembourg	0	1	0
Malaysia	0	3	2
Malta	0	1	0
Morocco	5	50	20
Mauritius	0	1	0
Macedonia	2	22	11
Mexico	0	3	0
Republic of Moldova	3	24	11
Montenegro	2	23	18
Nepal	0	1	0
Netherlands	6	123	47
Nigeria	7	61	47
Norway	0	1	0
Austria	2	55	5
Pakistan	2	17	11
Paraguay	1	3	0
Peru	1	2	2
Poland	33	494	217
Portugal	1	7	1
Romania	16	282	56

Country	Dom. Grp.	Suspects	Suspects (new)
Russian Federation	17	188	63
San Marino	0	1	0
Sweden	0	6	4
Switzerland	1	56	8
Senegal	0	1	0
Serbia	15	147	74
Serbia and Montenegro (old)	0	2	0
Sierra Leone	1	2	1
Singapore	0	5	0
Slovakia	1	7	1
Slovenia	0	8	0
Spain	1	45	5
Sri Lanka	1	5	2
South Africa	0	2	2
Sudan	0	1	1
Suriname	0	1	1
Syria	8	131	55
Taiwan	0	1	1
Thailand	0	16	3
Togo	0	2	2
Czech Republic	2	45	21
Tunisia	0	7	7
Turkey	56	846	371
Ukraine	10	108	63
Hungary	3	51	32
USA	1	14	0
Uzbekistan	0	1	1
Venezuela	0	2	1
United Arab Emirates	0	1	1
Vietnam	13	103	54
Belarus	0	9	4
Not indicated	0	1	1
Other European nationals	0	4	2
Stateless	1	8	4
Not clarified	11	169	74
<b>Summe</b>	<b>563</b>	<b>8.655</b>	<b>3.348</b>

# Legal details

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