



Bundeskriminalamt



7th Research Conference on Organised Crime

The different Faces of Organised Crime

in Wiesbaden on 8 – 9 October 2014

Welcome

Dr. Peter Poerting

Head of the Subdivision Criminology and Criminal Investigation
Research and Advice at the Bundeskriminalamt Wiesbaden

Dear partners from our Research Network on Organised Crime,
dear guests,
my dear colleagues,
ladies and gentlemen,

good afternoon and welcome to **the 7th Research Conference on Organised Crime**. We are delighted to have you here. For me personally, it is a great pleasure to give the opening statement of this conference.

Many of you travelled long distances to be here today. This reminds us all **just how important this yearly event has become**. It is one of the few regularly launched forums, where experts from practical police work and criminological researchers find the opportunity to exchange their expertise on one of the most challenging security threats in our time, the still rising threat from serious and organised crime.

We have to deal with a highly sensitive security issue, concerning the everyday life of a rising number of citizens around the globe. Such kind of dialog seems to be crucial in order to make sure, that **we are addressing the problem in a holistic way**. This means that we are bringing together researchers and practitioners to engage in fruitful discussion and cooperation, well aware of the fact that an overall response to the phenomenon of organised crime (OC) must rely on “policing on the ground” combined with scientific methods to collect, analyse and interpret information.

Having in mind our challenging topic, you can surely imagine how glad I am that we succeeded in attracting recognised experts to share their knowledge with us today. I am honoured to welcome our distinguished speakers:

- **Dr. Gavin Slade**, Criminologist, Research Fellow at the Dahlem Research School of the Freie Universität Berlin;
- **His Excellency Dr. Ugi Zvekić**, Senior Advisor, Global Initiative against Transnational Organized Crime;

- **Dr. Edward Kleemans**, Professor at the School of Criminology, Faculty of Law, Vrije Universiteit Amsterdam;
- **Matthijs Vijlbrief**, Head of the Research and Analysis Department in the Korps Landelijke Politie Diensten, the Dutch National Police;
- **Kim Nilvall** and **Mr. Fredrik Mattsson**, both from the Swedish National Bureau of Investigation in Stockholm;
- **Thomas Falk**, Head of the Swedish Social Insurance Agency's Special Unit against Serious Organised Crime;
- **Sarah Groenwegen**, who works as a Senior Strategic Intelligence Analyst in the National Crime Agency in London;
and last but not least
- **Stefan Michel**, Deputy Head of the Division Serious and Organised Crime at Bundeskriminalamt

To all of you, thank you for accepting our invitation to share with us your experiences in the different forms of countering and researching organised crime. I am convinced that your contributions will shed light on important aspects of the phenomenon's manifestations in your respective countries, will inspire fruitful discussions, and will hopefully build the basis for future cooperation.

Please allow me to also **welcome the representatives of our partnering institutions** from the Research Network on Organised Crime:

- the Research and Documentation Centre WODC in The Hague;
- the Home Office in London, and
- the National Council for Crime Prevention (BRA) in Stockholm.

I would also like to extend my warm welcome to all participants and to express my gratitude for your interest in our meeting.

Most of you surely remember, that **the annual Organised Crime Research Conference was brought into being back in 2008**. Up until last year the conferences had a geographical focus as they were devoted to the progress of organised crime research and law enforcement

activities in different European regions. The topics, main findings, results as well as contributions of the speakers up to the year 2012 were already published in two conference anthologies, issued by Bundeskriminalamt in 2011 and 2013. It is intended to publish a third volume in 2016 reviewing the conferences from 2013 up to 2015.

Since 2013 the conferences have got a new design. Under the main topic “Transnational Organised Crime” we are looking at different forms of OC. Last year we focused on an extremely complex and highly dangerous crime form, the so called “Organised Cyber Crime”. **This year we will widen our view to include “The Different Faces of Organised Crime”.** By choosing this topic it is clear that we commit ourselves to an ambitious cognitive task, as we try to achieve a better understanding of what contemporary organised crime actually is and how it does manifest itself in different countries.

Recognising the increasing transnational character of organised crime Bundeskriminalamt pursues a comprehensive countering strategy. Moreover we are working constantly on raising awareness on the tremendous threats from serious and organised crime, while dedicating a number of this year’s BKA events to this issue. Our strategy does not only include the tight police cooperation with partner authorities worldwide. Furthermore, **back in 2008, we took the initiative to expand the police cooperation while establishing an international Organised Crime Research Network.** The EU Commission supports the work of ourNetwork through its programme “ISEC – Prevention of and Fight against Crime” since 2010.

I am not breaking any news by telling you that the most **challenging task** about organised crime **is to identify what this term actually means.** Definitions of what constitutes organised crime vary widely from country to country. However as of today there is no consensus on a definition, neither among police investigators and analysts, nor among criminologists.

The basic problem is that **the empirical phenomena - the subject of our interest - are differently defined;** differently in different countries; differently in different professions and disciplines. In some countries a much more flexible understanding of OC is in place, which

allows an *ad hoc* categorization of a particular crime as serious and/or organised. In Germany for example a rather strict definition provides justice and law enforcement authorities with a catalogue of criminalized activities, which count as organised crime.

On the one hand this situation offers advantages, regarding the fast and clear categorization. On the other hand, **we are faced with certain forms of crime** that exhibit enormous threat potential and bring about tremendous economic damages to vast parts of the population: for example organised (call-centre) fraud, organised property crimes committed by mobile criminal groups or crimes committed by different gangs. But these crimes **do not necessarily fit our definition**

These crimes are often highly profitable. Because of their “visibility” to society they are tremendously damaging in terms of public perception of security and trust in the judicial and law enforcement authorities. The same holds true for the phenomenon of cybercrime: should it be counted to the field of organised crime and – most importantly – in which cases? For all these **reasons in Germany we are currently engaged in discussions on our understanding** and adequate capturing of the phenomenon.

Please allow me at this point a very short look at the **actual OC-situation in Germany**. The latest National Situation Report refers to the last year. 580 OC-investigations were conducted in Germany in 2013, which is a slight increase compared to 2012. A much more eye-catching growth lies in the number of suspects: 2013 they were more than 9.000 which is about 13% more than the year before.

Traditionally drug related crimes, economic and property crime are among the prevailing OC-offences in Germany. The total losses through organised crime in 2013 amounted to 720 Million Euro, while the criminal proceeds reached 638 Million Euro.

And please note – all these figures only reflect the investigated offences. We can simply speculate about the volume and characteristics of the dark field!

One additional fact needs to be underlined, namely that the **organised crime in Germany is still distinctly international**, both in terms of composition (nearly 60 % of the suspects were

non-German citizens), as well as in terms of operational range, as more than three quarters of the investigations entailed international references to 128 countries. Most of the crimes were committed in or through the following European countries: the Netherlands, Belgium, Italy, Poland, Switzerland, Austria, the United Kingdom, Spain, France and the Czech Republic.

So it is more than obvious: **Organised crime is transnational crime.** Criminal networks create bonds across borders and overcome cultural and linguistic differences. Criminal networks are highly flexible, adapt quickly as new crimes emerge and gain ever-greater reach around the globe.

According to EUROPOL's last **SOCTA-Report from 2013 there are an estimated 3600 organised crime groups (OCGs)** active in the European Union (EU). Besides, EUROPOL also underlines that there is an increasing tendency for groups towards cooperating with or incorporating as members a greater variety of nationalities. Despite this, ethnic kinship, linguistic and historical ties continue to be important factors for building bonds and trust.

Similar to the situation in Germany, the market for illicit drugs remains the largest and most dynamic among all criminal markets. 30% of all identified OCGs are involved in drug trafficking. Furthermore, economic crime and fraud in particular have emerged as more significant organised crime activities. Commodity counterfeiting, illicit trade in sub-standard goods and goods violating health and safety regulations are major emerging criminal markets in the EU.

However, it is of particular importance to emphasise that **organised crime is not only expanding its illicit enterprises but is successfully taking advantage of the worldwide web.** As EUROPOL put it in its latest Internet Organised Crime Threat Assessment:

“With more than 2.8 billion people using the Internet across the globe and over 10 billion Internet-facing devices in existence, the report highlights the increasing opportunities to commit crimes facilitated, enabled or amplified by the Internet.”

Be it as a communication and information channel, as a market and recruiting platform or be it as an instrument for conducting financial transactions throughout the world - the Internet

facilitates almost all typical OC crimes such as trafficking in drugs, weapons and human beings, illegal immigration and laundering of proceeds from such activities.

At a global level, according to UNODC, **transnational organised crime remains a big business**: In 2009 it was estimated to generate \$ 870 billion – an amount equal to 1.5% of the global GDP. Apart from this, the dark field figures and - most importantly – the hidden cost incurred by society is huge. (Transnational) organised crime threatens peace and security, undermines the economic, social, cultural, political and civil development of societies around the world. The huge sums of money involved compromise legal economies and have a direct impact on governance, for example through, extortion, corruption and the “buying” of elections

Let me sum up: the most important consequence is that **over the last decade organised crime has changed, has become more sophisticated and more diverse in terms of activities and impact**. OC crosses borders, exploits individuals, pursues profit, weakens economies, challenges states and damages civil society.

There are many visible and invisible examples. It is a plague of international concern, spreading alongside increasing globalization, but it is also a subject of academic debate and – at the same time – it is the reality faced by investigators.

Evidence and analysis show that the **most important challenges ahead** are:

- the increasing professionalism of organised crime groups using modern communication technology;
- the huge number of organised crime groups operating at an international level;
- the increasing and fast mobility of the members of organised criminal groups.

As I already remarked **such a challenging crime phenomenon needs to be tackled in a holistic way**. This means: we need partnership at all levels! Government, business, civil society, international organizations and people at all corners of the world have a part to play. In other words: law enforcement authorities do not only need to ensure sufficient resources

and training. we also need to extend and strengthen existing cooperation as well as to build up new partnerships.

However, the central question is: Who do we need to cooperate with? Who are the partners we need to get on board to warrant security?

Basically:

- those who are directly or indirectly committed to the subject,
- those who have proven expertise and capacities, that can add value to the existent practices and cooperation forms

Not least, the “holistic approach” against organised crime implies, in concrete terms, the close cooperation with actors, not necessarily committed to countering crime, but who still constitute an important component of a modern and effective security architecture.

Having in mind the complex challenge, dealing with OC is an obligation. **It is obvious that we cannot afford to count on one-sided solutions.** Tactical police actions will only be fruitful, if they are based on analytical fundamentals as broad as possible, including the know how of technical and socio-political academic disciplines.

That said, I would like to point out, **that at Bundeskriminalamt investigators and researchers are working together** in multidisciplinary teams in the Division “Institute for Law Enforcement Studies Training”. We have been doing this since 60 years now. We benefit from this close cooperation. It enables us to gather comprehensive data on specific crime types, to identify causes, severity and impact with regard to state and society, to elaborate profound evaluations of the situation in the field and of the actors involved, to formulate reliable prognoses and in certain cases even encourage changes of laws or policies.

Comparative criminology and criminal justice studies are increasingly attracting the interest of scholars. In particular the level of organization and the modi operandi have been subject of interest of organised crime researchers for several decades. Consequently a very broad spectrum of scientific methods has been implemented – inter alia social network analyses, expert interviews, victim and offender surveys.

Today we can count on high quality OC-research products such as examinations of flows of criminal proceeds, measurement of risk factors and threats, or compilations of data sources to measure the manifestations of different types of organized crime (such as trafficking in human beings, drugs, arms or counterfeited goods).

Indeed, researchers and practitioners have much to offer to each other in the process of gathering, managing, analysing and interpreting information, particularly when it comes to underexplored phenomena. Fruitful cooperation could yield breakthroughs in developing better threat assessments, improved operational measures and strategies to combat organised crime.

As far as Bundeskriminalamt is concerned, we can look back at quite a number of successful research projects. One example for the close cooperation between police practice and representatives of the international criminological research is the **research Project “Cyber-OC: Scope and manifestations in selected EU member states”**. This is an ongoing international project. We are working on it together with our partners – the WODC from the Netherlands and BRA from Sweden. We are all looking forward to learning more about its findings after finishing work in 2016.

There is no doubt that **much has been done both – “on the ground” and in the realm of research**: different types of organized crime activities were stopped successfully, millions of criminal assets have been confiscated, and large numbers of criminal entrepreneurs are behind bars. In addition you find a growing body of organized crime research – including international surveys, development reports, risk assessments and case studies.

I am convinced that **criminological research has an important role to play** when it comes to questions like:

- Do we capture the real picture?
- Do we explain the huge threats of organised crime sufficiently well?
- Do we understand how criminal activity is changing alongside with the technical evolution?

Yet, what **we need is to deepen and tighten multi-disciplinary and multi-agencies partnerships**, because the most promising strategy to face a transnational threat is an international response. So, let us use this conference to face the challenge, become excited and inspired to expand our efforts against organised crime.

Most of you already know Gergana Bulanova-Hristova. Combining deep knowledge with an overwhelming charm she will be, once more, the moderator of our conference. She will introduce you in a few seconds to the first part of the agenda.

Let me thank you, once more, for coming!

Good luck to you all and have a good time here in Wiesbaden!