



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

From: Europol
To: Delegations
Subject: General Report on Europol's activities in 2012

1. Article 37(10)(c) of the Europol Decision¹, reads:

"Each year the Management Board shall adopt:

(...)

- (c) a general report on Europol's activities during the previous year including the results achieved on the priorities set by the Council.*

Those documents shall be submitted to the Council for endorsement. The Council shall forward them to the European Parliament for information."

2. The General Report on Europol's activities in 2012 adopted by the Management Board at its meeting on 22 May 2013 and submitted to the Council for endorsement by a letter dated 28 May 2012 is set out in annex.

¹ OJ L 121, 15.5.2009, p. 37.

3. On this basis the LEWP is invited to take note of the report as set out in annex and to submit it to COREPER and Council for endorsement.



The Hague, 7 May 2013

EDOC # 668610v4B

Europol Review

General report on Europol activities

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FOREWORD

You have in your hands the Europol review 2012¹. The aim of this publication is to provide you with an overview of Europol's work in the past year and inform you about the latest developments affecting the agency.

The economic crisis has limited the resources available to law enforcement agencies across the EU, but it has certainly not led to a reduction in serious and organised crime. Our latest analysis tells us that there are an estimated 3,600 organised crime groups currently active in the EU. They show a tendency to be more international in nature and activity which creates an even greater need for international cooperation in fighting crime.

Europol is at the heart of the European Union Member States' law enforcement major international operations to combat international organised crime and terrorism. The agency supports investigations through the provision of unique intelligence and operational support capabilities, cooperating with law enforcement authorities throughout the EU and elsewhere. In this review, you will read about many impressive cases which Europol has supported in the last year.

As well as supporting a growing number of investigations in 2012, Europol used its capabilities to support the security arrangements at international events such as the Olympic Games in London and the European Football Championships in Poland and Ukraine. At the same time, a lot of effort was put into laying the foundations for some of Europol's new capabilities, most importantly the European Cybercrime Centre (EC3). Many developments were well underway by the end of 2012, allowing for a successful launch of the EC3 in January 2013.

2012 also saw a culmination of efforts to prepare the 2013 Serious and Organised Crime Threat Assessment (SOCTA), which defines priorities for the fight against organised crime in the period 2013-2017 and therefore plays a pivotal role in the EU's multi-annual policy cycle.

¹ The presentation of the *Europol review — General report on Europol activities* is done in accordance with Article 37(10) c of the Europol Council Decision (Council Decision 2009/371/JHA of 6 April 2009 establishing the European Police Office). The report is submitted to the Council of the European Union for endorsement and the Council forwards it to the European Parliament for information.

New capabilities, but also the ever-changing nature of serious and organised crime and an increasing volume of operational work, prompted a reorganisation at Europol. The changes are designed to reduce the number of management posts and streamline administrative processes, which should improve decision-making and reduce costs. As a result, Europol is fit for the challenges ahead, including a difficult budgetary situation and an increasing volume of operational work. The latter is a sign of our hard-earned reputation and we are determined to maintain this positive trend: supporting more cases, delivering more operational results and providing unique insights into the threats posed by serious organised crime and terrorism.

I encourage you to explore this report further and wish you an enjoyable read!

Rob Wainwright
Director of Europol

1 ABOUT EUROPOL

Europol's role is to help achieve a safer Europe for the benefit of all EU citizens by supporting EU law enforcement authorities through the exchange and analysis of criminal intelligence.

1.1. Mission, vision and priorities

As the European Union's law enforcement agency, Europol's mission is to support its Member States in preventing and combating all forms of serious international crime and terrorism.

Large-scale criminal and terrorist networks pose a significant threat to the internal security of the EU and to the safety and livelihood of its people. The biggest security threats come from terrorism, international drugs trafficking, trafficking in human beings, counterfeiting of products, euro currency and payment cards, fraud, corruption and money laundering, as well as other activities related to the presence of organised crime groups in the economy. New dangers are also accumulating, in the form of cybercrime, VAT fraud and other sophisticated crimes which abuse modern technology and the freedoms offered by the EU internal market.

Many of these have been declared priority areas by the EU's Council of Ministers and Europol is pioneering new responses to these dangers. Europol's vision is to contribute to a safer Europe by providing the best possible support to law enforcement authorities in EU Member States. It will achieve this by delivering a unique set of operational services for the European Union, developing as the principal:

- support centre for law enforcement operations;
- criminal information hub; and
- centre for law enforcement expertise.

As well as following the priorities of the EU policy cycle, for Europol the EU Internal Security Strategy (ISS) is a vital document, shaping long-term EU policy in the field of law enforcement. The strategy maps out the different aspects of Europe's internal security policy and lists strategic guidelines for action. The strategy has been supplemented by the European Commission's communication², meant to foster the strategy's implementation. It identifies five objectives in the area of security. Three of them — namely the disruption of criminal networks, prevention of terrorism and security of cyberspace — are extensively covered by Europol's mandate³. Actions proposed by the Commission to meet the objectives mirror Europol's well-established fields of expertise. The two documents give Europol a key implementing role and provide a significant opportunity for further development in the coming years with intelligence-led policing as one of the leading concepts.

1.2. Europol Management Board

Europol's Management Board gives strategic guidance and oversees the Director's performance and the implementation of Europol's tasks. It comprises one high-ranking representative from each Member State and the European Commission. It takes decisions by two-thirds majority, with each member having one vote. The Management Board meets several times a year to discuss a wide range of Europol issues which relate to its current activities and future developments. Each year the Management Board adopts Europol's final budget, work programme of future activities and this general report on activities carried out during the previous year, all of which are submitted to the Council for endorsement and later to the European Parliament for information.

² Communication from the Commission to the European Parliament and the Council on the EU internal security strategy in action: five steps towards a more secure Europe, COM (2010) 673 final.

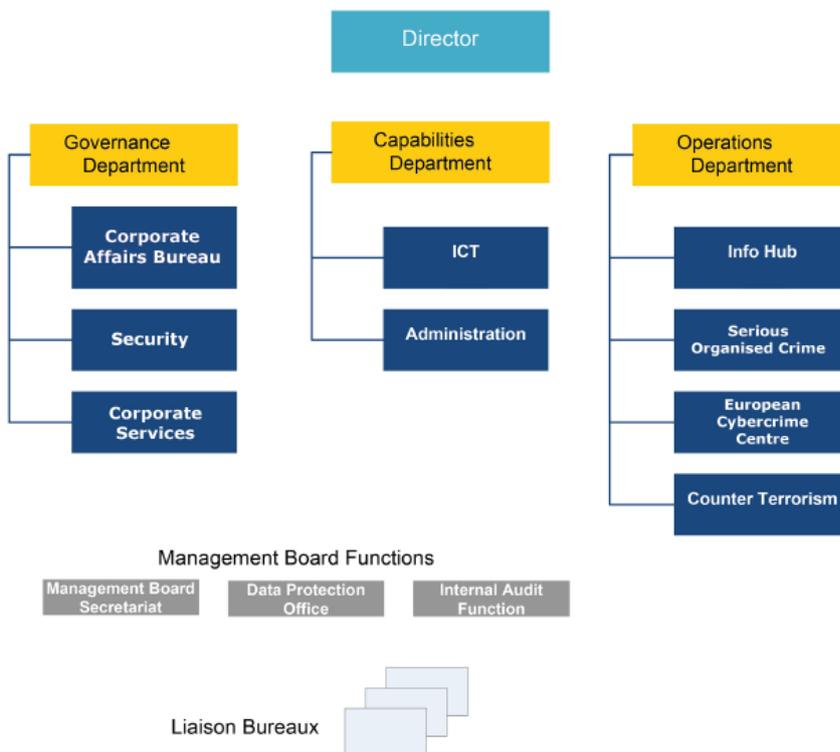
³ As detailed in the Annex to the Council Decision of 6 April 2009, establishing the European Police Office (Europol) (2009/371/JHA).

1.3. Resources

Europol uses its unique information capabilities and the expertise of approximately 800 personnel, including 100 analysts and 150 Europol liaison officers, to identify and track the most dangerous criminal and terrorist networks in Europe. Law enforcement agencies, represented at Europol by Europol liaison officers working in conjunction with Europol’s 24/7 high-security operational service centre and its secure databases, have been successful in disrupting many criminal and terrorist networks, arresting thousands of dangerous criminals, recovering millions of euros and rescuing hundreds of victims of crime, including trafficked and abused children.

Europol is financed from the EU community budget. The Council of the European Union and the European Parliament decide Europol’s budget, based on proposals from the European Commission and the Europol Management Board. In 2012 the Europol budget was EUR 84.15 million.

[Image:] Europol organisation chart, as of 1 January 2013



[Image:] Basic facts about Europol, 2012

Headquarters The Hague, The Netherlands

Staff 800 personnel at headquarters

Including

150 liaison officers

Budget EUR 84 million

Servicing 27 EU Member States

(through a network of dedicated Europol National Units)

500 million EU citizens

Supporting 16 000 cross-border law enforcement cases

1.4. Europol headquarters

The facilities and state-of-the-art equipment at Europol headquarters are in line with Europol's ambition to be a modern and dynamic organisation, created to help and serve EU citizens via the support we provide to our law enforcement partners.

Operational rooms at Europol headquarters are extensively used by EU law enforcement officers to support their ongoing investigations. Europol is also home to specialised criminal analysis laboratories and other specialised facilities designed to combat cybercrime, euro counterfeiting and other forms of crimes.

The annual European Police Chiefs Convention takes place at Europol, hosting more than 200 high-level participants debating topical issues pertaining to modern policing.

Europol headquarters have become a central point in Europe for the EU and broader law enforcement community to meet and coordinate operational activities, and exchange expertise and latest developments in a number of law enforcement fields.

2 HOW EUROPOL WORKS

International criminal and terrorist groups operate worldwide, making use of the latest technology. To ensure an effective and coordinated response, Europol needs to be equally flexible and innovative, ensuring its methods and tools are up to date. Europol maintains state-of-the-art databases and communication channels, offering fast and secure facilities for storing, searching, visualising, analysing and linking key information. The gathering, analysis and dissemination of this information entails the exchange of large quantities of personal data. In discharging these functions, Europol adheres to the highest standards of data protection and data security.

All Europol databases and services are available 24 hours a day, seven days a week. Whenever requested by a Member State, we also send experts and make our services available via an on-the-spot mobile office.

2.1. Europol national units

Each EU Member State has a designated Europol national unit (ENU), which is the liaison body between Europol and the competent authorities of EU Member States. The heads of Europol national units (HENUs) meet on a regular basis to advise Europol and the Europol Management Board on operational matters and other issues. Each ENU seconds at least one liaison officer to Europol, who is hosted at our headquarters in their own liaison bureau. The liaison bureaux are part of their countries' national unit and represent the interests of their country at Europol in accordance with the national law of the seconding Member State.

[Image:] Europol national units (ENUs) are the link between Europol and EU law enforcement authorities

Member States' liaison officers ensure a live 24/7 link between Europol headquarters in The Hague and 27 Europol national units in the national capitals of EU Member States. This unique network of liaison officers plays an important role in everyday law enforcement activities by facilitating the exchange of information, as well as providing support and coordination for ongoing investigations. Europol also hosts liaison officers from 10 non-EU countries and organisations who work together with Europol on the basis of cooperation agreements⁴. This network is supported by secure channels of communication provided by Europol. In addition, Europol has two liaison officers seconded to Washington, D.C. and one to Interpol's headquarters in Lyon, France.

2.2. Secure communication infrastructure

In order to support its operations and deliver a growing range of operational and strategic services to the Member States, non-EU countries and third parties, Europol constantly maintains and develops a technically advanced, reliable, efficient and secure telecommunications infrastructure. The backbone of this infrastructure is the Europol Operations Network. This connects law enforcement agencies in all Member States, and a growing number of non-EU countries and third parties with which Europol has cooperation agreements. The security of the network's infrastructure is of primary concern to Europol, since state-of-the-art security is the basis for maintaining trust among all the parties that share information and intelligence with and through Europol.

2.3. SIENA - Secure Information Exchange Network Application

The Secure Information Exchange Network Application (SIENA) is a state-of-the-art tool designed to enable swift, secure and user-friendly communication and exchange of operational and strategic crime-related information and intelligence between Europol, Member States and third parties that have cooperation agreements with Europol. It has a strong focus on interoperability with other systems at Europol and other cooperating states and organisations.

⁴ Albania, Australia, Canada, Colombia, Croatia, Iceland, Norway, Switzerland, Interpol and the following United States law enforcement agencies: Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); Drug Enforcement Administration (DEA); Federal Bureau of Investigations (FBI); Immigration and Customs Enforcement (ICE); Internal Revenue Service (IRS); Naval Criminal Investigative Service (NCIS) and the US Secret Service (USSS).

In the design and functioning of SIENA, significant emphasis was put on data protection and confidentiality, to ensure compliance with all legal requirements. Equally, security is deemed vital and all necessary measures have been taken to enable the secure exchange of restricted information. Furthermore, best practice in law enforcement information exchange has been taken into consideration, with a high degree of reliability, and use of handling and evaluation codes that specify conditions for use.

In 2012:

- SIENA was rolled out to the following cooperation partners: Albania, Bosnia and Herzegovina, Canada, Eurojust, MAOC-N⁵, Monaco, Montenegro, Serbia, Switzerland, and Turkey.
- SIENA was made available to national systems, starting with Germany. This functionality provides an interconnection between SIENA and the case management systems of Europol National Units. This enables law enforcement officers to send and receive SIENA messages using their own system, which is tailored to their national environment and legislation, for national and international cases. It is also possible to use this interface to automatically register all incoming and outgoing SIENA traffic in their national databases. This functionality on its own can result in increased efficiency in Member States.
- Due to an upgrade of the system, it became possible to task many law enforcement agencies at once to further handle incoming requests or answers. Up to this moment information could only be assigned to one partner.
- A number of other changes were also implemented, like the possibility for law enforcement agencies to exchange information in SIENA, the ability to reflect their national organisational structures in SIENA, and improved possibilities for filtering and searching.
- SIENA was adjusted to support the new AWF concept and the new Europol organisational structure.

⁵ Maritime Analysis and Operations Centre – Narcotics (MAOC-N).

[Image:] Information exchange via SIENA in 2012

- *15 949 new cases were initiated*

Monthly average: 1 329

(Increase of 16% compared to 2011)

- *82% of the cases were initiated by Member States, 8% by Europol and 10% by third parties*
- *29% of the new cases were related to drugs, followed by fraud and swindling (15%), robbery (11%), money laundering (9%) and illegal immigration (8%)*

- *414 334 operational messages were exchanged*

Monthly average: 34 528 messages

(Increase of 25% compared to 2011)

- *373 competent authorities were configured in SIENA by the end of 2012*
- *27 Member States, 12 third parties and 20 third parties indirectly connected*
- *Approximately 3 000 users*

2.4. EIS - Europol Information System

The main objective of the Europol Information System (EIS) is to be the reference system for offences, individuals involved and other related data to support Member States, Europol and its cooperation partners in their fight against organised crime, terrorism and other forms of serious crime. In 2012, Belgium was a major provider of data into the EIS, followed by Germany, the UK, France and Spain. Europol validates and feeds data from third parties into the system.

The vast majority of data in the EIS is inserted by means of automated data loading systems. In the last two years the data collection approach by Member States changed, with the focus in transmitting data shifting to entities that can be cross-matched such as persons, cars, telephone numbers and firearms. Another positive trend was national law enforcement authorities interest in sharing and comparing data with the Europol Information System. For example, the Scottish Crime and Drug Enforcement Agency (SCDEA) implemented an automated data loader, enabling it to feed their data directly into the Europol Information System. The Slovenian Customs Office obtained access to the EIS, while the City of London Police decided to check all European nationals detained against the EIS. Such developments improved the overall quality of the EIS and made it more effective and useful to more law enforcement authorities across Europe.

[Image:] Europol Information System (EIS) (December 2012)

Content: 186 896 objects

An increase of 2% compared to 2011

48 023 suspected/convicted criminals

An increase of 17% compared to 2011

Major crime areas: Drugs trafficking - 34%

Forgery of money - 14%

Robbery - 12%

Illegal immigration - 10%

Fraud and swindling - 7%

There were important strategic and operational initiatives at a European level concerning the Europol Information System. At a strategic level, the Council conclusions on the increased and more effective use of the EIS in the fight against cross-border crime were adopted during the Danish EU Presidency. The document sets out several concrete actions to be taken by Member States and Europol to increase the volume of data and the use of the EIS, for example by

- extending access to the EIS to all relevant law enforcement units
- setting up a mechanism for systematically feeding designated units with data, to carry out batch searches (an automated function enabling up to 400 individual searches in one go)
- making more use of the EIS when running investigations.

At the operational level, Operation Bad Boys, launched jointly by Poland, the UK and Europol, targeted top criminals who posed a significant threat to EU citizens. 23 Member States and third parties now participate in the initiative. As a result of the operation over 14 000 criminals were prioritised by the participating countries and inserted into the EIS, resulting in a large number of cross-matches - so-called Cross Border Crime Checks (CBCCs) which identify links between investigations run in different countries.

As an example, after an upload of over 1000 top criminals by Romania in October 2012, 22 CBCCs were automatically triggered between Romania, the UK, Belgium, Denmark, Finland and Switzerland. Top Criminals (or top targets) are the most significant criminals affecting the EU as prioritised by Member States and cooperation partners.

[Image:] Cross Border Crime Check (CBCC)

Cross Border Crime Check is a functionality that allows the instant identification of possible links upon the upload of new data into the EIS. All parties involved in CBCCs are then automatically informed by system notifications that they may be investigating the same person or that two seemingly unrelated criminals are regularly contacting the same telephone number.

The EIS, which allows the sharing of highly sensitive data, has a robust security system. The security is ensured by, among others, the handling codes. This functionality provides maximum security and defines who can access the information and what can be done to it.

[Image:] Handling codes

Handling codes are a means of protecting an information source. The codes ensure security of the information and its safe and adequate processing, in accordance with the wishes of the owner of the information and with full respect to the national legal rules of the Member States. The handling codes indicate what can be done with given information and who has access to it in the future.

2.5. Crime analysis

2.5.1. Operational analysis

Analysis is the cornerstone of all modern intelligence-led law enforcement activities and is critical to all Europol activities. Our analytical capabilities are based on advanced technology adjusted to the needs of law enforcement. Analysts employed at Europol use the latest methodologies and techniques to identify missing links in cross-border EU investigations. They work with subject-focused AWFs to provide information to ongoing operations in EU Member States. This information can often provide a breakthrough for many international investigations.

The Europol Analysis System (EAS) is the operational information system hosting data contributed by Europol's stakeholders. The different components of the system offer the following benefits:

- centralisation and management of information;
- analytical capabilities through a wide range of analysis tools.

Europol continuously assesses its analytical capabilities and technology to ensure that Europol analysts have the best possible technical support for their work. To this end Europol made preparations in 2012 for creating a new state-of-the-art analysis platform. The new platform will replace many of the existing EAS components, allowing for better and more comprehensive information management. The platform will be gradually introduced, with some parts operational from 2013.

Operational training

In 2012 Europol adopted its operational training strategy to better meet the needs of operational staff at Europol. As a result, operational staff will receive training in the fields of EU policies, Europol's strategy and EMPACT⁶, instruments of international police cooperation, crime analysis, financial investigations and cybercrime. The existing training activities, on crime analysis in particular, will be embedded at expert level.

⁶ European Multidisciplinary Platform Against Criminal Threats (EMPACT).

In 2012 the training team delivered 504 hours of analysis training to a total of 184 students. The students were mostly Europol staff but also included law enforcement staff from Member States. In particular, the training team delivered courses on Europol social network analysis, operational integrated analysis, financial analysis and the new AWF concept.

In view of sharing Europol's expertise with Member States, first steps towards producing modules for distance learning have been taken.

2.5.2. Strategic analysis

Strategic analysis is another important aspect of Europol's analytical activities. Thanks to Europol strategic analysis products such as the (S)OCTA and TE-SAT⁷, more support is given to decision-makers identifying specific priorities in the complex area of organised crime and terrorism. Based on political guidelines, law enforcement officers can then tailor their operational work nationally, regionally and locally.

Under the Lisbon Treaty the significance of comprehensive threat assessments is steadily increasing, thus making Europol an important contributor to the policymaking process.

EU policy cycle and EMPACT projects

Europol plays a vital role in the implementation of the EU policy cycle for organised and serious international crime. This multiannual cycle aims to tackle the most important serious criminal threats to the EU in a coherent way.

Following the conclusions of the EU Council in November 2010 to implement the EU policy cycle for organised and international serious crime and a year of preparation in 2011, the new EU policy cycle commenced in January 2012.

⁷ EU (serious) organised crime threat assessment (OCTA); EU terrorism situation and trend report (TE-SAT).

EMPACT is the European Multidisciplinary Platform Against Criminal Threats. It is part of the intelligence-led policing approach to tackling organised crime, identifying priorities and establishing an international team-work approach to bring down criminal groups that threaten the security of the European Union.

In 2012 the EMPACT projects started the first year of a two-year cycle to target eight crime areas identified by the Council of the European Union as priorities, based on the EU Organised Crime Threat Assessment. The projects were supported by Europol, Eurojust, Frontex, CEPOL, the Council General Secretariat, the European Commission, Interpol, EMSA, EMCDDA and OLAF.

The eight EMPACT priorities that have been selected by the Council are each subject to the multidisciplinary, integrated and integral approach foreseen by the European Criminal Intelligence Model (ECIM) and are led by Member State drivers and co-drivers. The objective is to stimulate a range of activities that will address the criminal activities and mitigate the threats:

- Priority A: Weaken the capacity of organised crime groups active or based in West Africa to traffic cocaine and heroin to and within the EU. Led by the UK with France as a co-driver.
- Priority B: Mitigate the role of the Western Balkans, as a key transit and storage zone for illicit commodities destined for the EU and logistical centre for organised crime groups, including Albanian-speaking organised crime groups. Led by Italy with Austria and Hungary as co-drivers.
- Priority C: Weaken the capacity of organised crime groups to facilitate illegal immigration to the EU, particularly via southern, south-eastern and eastern Europe and notably at the Greek-Turkish border and in crisis areas of the Mediterranean close to North Africa. Led by Italy with Frontex as a co-driver.
- Priority D: Reduce the production and distribution in the EU of synthetic drugs, including new psychoactive substances. Led by Poland with the Netherlands as a co-driver.
- Priority E: Disrupt the trafficking to the EU, particularly in container shipments, of illicit commodities, including cocaine, heroin, cannabis, counterfeit goods and cigarettes. Led by France with the Netherlands as a co-driver.

- Priority F: Combat all forms of trafficking in human beings and human smuggling by targeting the organised crime groups conducting such criminal activities in particular at the southern, south-western and south-eastern criminal hubs in the EU. Led by the UK with the Netherlands as a co-driver.
- Priority G: Reduce the general capabilities of mobile (itinerant) organised crime groups to engage in criminal activities. Led by Belgium with France as a co-driver.
- Priority H: Step up the fight against cybercrime and the criminal misuse of the internet by organised crime groups. Led by Romania without a co-driver.

Europol has a key role in the EU policy cycle, collecting the intelligence, drafting the (S)OCTA, supporting the priorities and managing the project through the EMPACT support unit.

EU (serious) organised crime threat assessment ((S)OCTA)

The (S)OCTA is the most important strategic analysis document produced by Europol. It is the document on which the Council of Ministers of the EU (Council) base their priorities and recommendations for the fight against organised crime in Europe. Drafted in accordance with intelligence-led policing principles, the (S)OCTA is acknowledged as a pioneering project, and in its short life, since 2006, has introduced innovative concepts such as the criminal hubs and organised crime group typology. Until now the (S)OCTA was a biannual report. From 2013, it will be produced every four years.

- ✓ Already a key component of the European Criminal Intelligence Model (ECIM), the (S)OCTA has taken on added significance since the adoption of Council conclusions on the creation and implementation of the EU policy cycle for serious international and organised crime. This policy cycle identifies the (S)OCTA as the basis for the identification of EU crime priorities and, thereafter, a coherent EU response to address those priorities.

Images: TE-SAT and OCTA reports.

In 2012, Europol developed a new methodology for (S)OCTA, together with EU Member States and other partners. On the basis of this new adopted methodology, data collection for the 2013 (S)OCTA was undertaken. In March 2013, the new 2013 (S)OCTA will be presented on which basis the JHA Council will decide on the new priorities for tackling serious and organised crime for the period 2014-2017.

EU terrorism situation and trend report (TE-SAT)

In 2012, Europol produced its sixth annual *EU terrorism situation and trend report (TE-SAT)*. Since 2007, the TE-SAT has been informing the European Parliament and the Council on the phenomenon of terrorism in the EU from a law enforcement perspective. The TE-SAT is a public document based on information provided by EU and non-EU countries, and partner organisations like Eurojust and INTCEN⁸. The report aims to provide law enforcement and intelligence officials, the European Parliament, policymakers and the general public with facts and figures regarding terrorism in the EU, while also seeking to identify trends in the development of terrorism.

Scanning, analysis and notification

Europol's scanning, analysis, and notification team (SCAN) provides national competent authorities and policy-makers at national and EU level with strategic assessments of new organised crime threats. The team delivers intelligence-based SCAN threat notices and expertise-based SCAN early warning briefs on potential threats associated, for instance, with the use of new resources by organised crime groups. In 2012, the SCAN team produced the following products:

- Situation report on mobile organised crime groups operating in Europe, providing detailed descriptions that facilitate a tailored response to threats posed by the mobile organised crime groups within the framework of the EMPACT project.
- Early warning brief on the Kalashnikov: its illegal sourcing, trade and use in Europe, providing an expertise-based assessment to assist the evaluation of current and potential threats related to the Kalashnikov.
- Early warning brief on increased 'turf wars' expected with the arrival of new international outlaw motorcycle gangs in Europe.

⁸ EU Intelligence Analysis Centre (INTCEN), formerly known as Sitcen.

In addition, support was provided by Europol and Airpol to 16 participating countries in cross-border Operation Goodeye that resulted in 10 arrests, EUR 1.25 million and 4 kg of synthetic drugs seized after checks at 28 European airports.

Work continued on the deployment of E-SCAN, which uses the Europol Platform for Experts (EPE) infrastructure to facilitate members of national competent authorities to participate in a horizontal early-warning network. The Strategic Analysis Training for Early Warning Capabilities (SAT-EWC) was provided to 25 members of national competent authorities.

2.6. EU centre for law enforcement expertise

Europol provides expertise on the spot but also develops platforms for expert cooperation in a broad spectrum of law enforcement specialisations. Europol aims to be a pioneer in developing best practice as well as pooling European law enforcement expertise to support national investigations.

2.6.1. Europol Platform for Experts

In order to strengthen its position as a platform for specialists and to facilitate knowledge sharing and communication between various expert communities, Europol has developed the Europol Platform for Experts (EPE). The platform provides a secure environment for specialists from a variety of law enforcement areas, enabling them to share, within their respective communities, knowledge, best practices and non-personal data on crime.

In 2012, the EPE grew to encompass more than 2000 new users. A wide range of expertise is now covered by 25 online communities open to external users with expertise on:

- ✓ Special Tactics:
 - Witness Protection
 - EuNAT (kidnapping, hostage-taking and extortion)
 - Europol Homicide Working Group
 - Informant handling

- Covert surveillance
- Special intervention/Anti-terrorism (ATLAS)
- Covert entry
- European Tracking Solution

- ✓ Administrative approach to tackling organised crime
- ✓ Child sexual exploitation
- ✓ Counter Terrorism Centre
- ✓ European Anti-Corruption Training
- ✓ ENFSI Crime Scene website
- ✓ European Network of Law Enforcement Technology Services (ENLETS)
- ✓ Environmental crime (EnviCrimeNet)
- ✓ European Platform for Gang Experts
- ✓ European Law Enforcement Communicators Platform
- ✓ E-SCAN
- ✓ Financial Crime Information Centre
- ✓ Intellectual Property Crime
- ✓ Payment Card Fraud (PaySafe)
- ✓ Police Customs Cooperation Centres
- ✓ Prüm implementation
- ✓ SOCTA
- ✓ Universal Messaging Format (UMF2).

Additionally, the Europol Platform for Experts was adjusted to better accommodate the requirements of the European Cybercrime Centre. SPACE - the Secure Platform for Accredited Cybercrime Experts - has been developed for official launch in early 2013.

[Image:] Europol Platform for Experts (EPE)

2.6.2. Special tactics expert networks

Best practice for handling of informants

The informant is a crucially important aspect of police activities. Involvement of an informant early in the criminal intelligence gathering process is likely to result in a successful outcome for the investigation. The quality of intelligence gathered is directly proportional to the quality of the informant.

Serious organised crime is not restricted by national boundaries so informants may provide intelligence to support law enforcement in a number of countries. The current legal situation within the EU is not uniform with regard to using informants, although cooperation with informants is a common and widespread practice.

Europol actively supports the international expert group and organises an annual dedicated working group and international training course. Europol's activities have led to the development of a European manual and several harmonised documents on informant handling.

In addition Europol maintains the recognised High Risk Informant Database (HRDB) - a coded database allowing a more accurate risk assessment when working with foreign informants.

Best practice for cross-border surveillance and controlled deliveries

The use of covert surveillance is one of the key modern investigative tools for obtaining decisive information on criminal structures. However, due to the transnational nature of modern organised crime groups, law enforcement authorities are increasingly confronted with cases of cross-border observation and surveillance and controlled deliveries requiring consultation and coordination.

Europol is a member of the Cross-Border Surveillance Working Group, whose purpose is to encourage international cooperation and provide a forum for the development of safe and effective law enforcement surveillance techniques. Europol also supports the Surveillance Expert Network for Southeast Europe in the exchange of knowledge and best practice.

In addition, the European Tracking Solution (ETS) project is currently being prepared, which aims to provide a central European capacity for facilitating and supporting technical cross-border surveillance operations.

Best practice for witness protection

Witness protection is one of the cornerstones in the fight against organised crime and terrorism. The Europol witness protection expert network has significantly grown over its 10 years of existence and has effectively become a worldwide network. Support is provided in general through the provision of an online expert platform, specialist meetings and an international training course. The expert group is currently developing a European handbook on witness protection. Moreover, Europol provides support on witness protection to various entities active in Kosovo and Balkan countries, Russian Federation, and Turkey.

European Network of Advisory Teams

The European Network of Advisory Teams (EuNAT) consists of advisory teams and crisis management units from law enforcement agencies providing strategic and/or tactical advice, coordination and support to kidnapping, hostage-taking and extortion investigations. EuNAT permanently links the advisory teams to Europol, to facilitate immediate international cooperation in response to life-threatening risks. The network shares good practices and develops standards in this specific field throughout the EU.

In this context, Europol has supported the production of a brochure on prevention and coping strategies for kidnapping, hostage-taking and extortion, which aims to inform organisations and companies deploying personnel in high-risk areas. In addition, a European manual on counter kidnapping is in development.

Europol Homicide Working Group

The Europol Homicide Working Group aims to share expert knowledge on the criminal investigation and forensic aspects of homicide. Focus is on intensifying international cooperation between European law enforcement authorities on this subject and covers murders related to organised crime, serial killings, transnational homicide or murder involving a specific *modus operandi*, such as honour killings.

Europol is compiling details of national practices on homicide investigations, with a view to potentially producing a European manual on the subject. Europol will also pursue the development of projects and tools with a horizontal focus across all crime areas e.g. the European Tracking Solution and the Secure Online Logbook projects.

The European Tracking Solution project aims to install a central gateway at Europol capable of receiving output data in a standardised form and making it available in real time for designated partners. This would allow for monitoring and coordinating technical deployments in cross-border surveillance operations and controlled deliveries, as well as addressing the persistent difficulties in interoperability and exchange of technical data.

The Secure Online Logbook project will explore rapid response operational command and control solutions, to provide a platform for the management and coordination of both planned operations and critical incidents in real time.

Other networks

Other expert networks supported by Europol are the ATLAS network, grouping 35 intervention and counter terrorism law enforcement units in the EU Member States, and the International Specialist Law Enforcement expert network aiming to develop a coordinated approach to the lawful gathering of information in covert investigations.

2.6.3. Prüm helpdesk

The Prüm helpdesk was established at Europol in January 2012 to support the Member States in their daily fingerprint and DNA information exchange mechanisms created under the Prüm Council Decision.

Main achievements in 2012:

- Establishing the concept of standardised exchange forms, with the content of the forms endorsed by Member States
- Defining procedures on security certificates generation
- Supporting Member States with their requests
- Providing up-to-date information on the Europol Platform for Experts, and the Prüm Implementation Platform (including country reports on DNA and fingerprints, Prüm IT-related information, security certificate management and more).

2.7. Data protection

Europol has one of the most robust data protection regimes in the area of law enforcement. Europol's Data Protection Officer (DPO) ensures compliance, in an independent manner, within the data protection framework, including the processing of data related to Europol staff. The main task within this area is to supervise a tailor-made legal framework which serves the needs of the operational units and, at the same time, protects the fundamental rights of citizens. In addition the DPO acts as the main contact point with the Joint Supervisory Body (JSB) and assists in their inspections.

The framework for auditing activities is defined in the Europol data protection audit policy. Furthermore, in this context, the DPO established a 'Policy on control of retrievals' which provides details on control mechanisms for legality of retrievals of personal data from Europol's systems.

As called for in Article 18 of the Europol Council Decision, the policy defines precise requirements for data protection audit logs and audit trails. On the basis of those policies the DPO has conducted audits and prepared relevant reports for Europol systems processing personal data.

During the last year, the DPO participated in all projects involving the processing of personal data by drafting the data protection requirements and coordinating cooperation with the JSB whenever necessary.

The DPO also prepares data protection reports for those third parties with which Europol intends to conclude operational cooperation agreements.

As foreseen by the Europol Council Decision (ECD), the Data Protection Officer presented his annual report to the Management Board and the Joint Supervisory Body.

3 EUROPOL OPERATIONAL ACTIVITIES

One of Europol's key goals is to provide EU law enforcement authorities with 24/7 operational support. The support is delivered in mandated areas⁹ and also those crossing several criminal areas.

Operational centre

Europol's 24/7 operational centre is the generic point for data exchange between Europol, EU Member States and third parties. The operational centre is a core component of Europol's information hub and performs the following functions:

- Assessment of incoming data to be included in the Europol Information System and Europol analysis work files (AWFs) with regard to its relevance and congruence with the Europol mandate
- Centralised cross-checking service: incoming data is quickly cross-checked against all existing data. Operational information is processed within the Europol system using analysis work files, which focus on a given area of crime. If there are hits, this information is consolidated into one analytical report, and rapid feedback, highlighting the links, is given to the providing party so that new trends and developments within the EU's crime landscape can be identified.
- Analysis support in 'thematic' cases: investigative data which cuts across several existing analysis projects can now be promptly analysed by Europol.
- Third party communication: the operational centre processes all information exchanged with third parties, ensuring that the data is forwarded to the correct project for further processing, and that the original provider receives a timely and accurate reply.

⁹ As detailed in the Annex to the Council Decision of 6 April 2009 establishing the European Police Office (Europol) (2009/371/JHA).

- Support for policing major events: the operational centre coordinates the support that Europol can provide for policing major events, i.e. those internationally prominent sporting, economic, political or cultural gatherings which present a target or opportunity for crime and terrorism. In 2012 this included providing support connected to the UEFA EURO 2012 football championship in Poland and Ukraine, and the Olympic Games in London.

2012 saw significant changes, such as the implementation of a new AWF concept, resulting in the establishment of a unified analysis work file for serious and organised crime, and another one supporting counter terrorism investigations. This development has contributed to the further increase of operational information handled at Europol.

Operations rooms – coordinating cross-border operations

Many operations have been hosted in the Europol operations rooms, supporting the Member States and Europol's partners in coordinating international operations. Some examples have been:

- In September 2012 vehicle crime experts from 20 EU Member States gathered in Europol's operations rooms and worked together in the Joint Police Operation Cycar, which was an initiative of Cyprus during its Presidency of the Council of the EU. Support was given from the coordination centre to thousands of police, customs and border guards in the EU investigating robberies and burglaries in relation to stolen high value vehicles. During the operation 160 stolen cars were seized and 75 persons arrested.
- In December 2012 Europol supported Bulgaria and Italy in the Operation 'Cloning Connection'. International coordination of this major police operation was provided from the operations room and the Operational Centre kept direct contact with squads in the field via Europol officers who were present with a mobile office deployed in Bulgaria. As a result, 56 persons suspected of being part of a major payment card fraud network were arrested in this cross-border action. Besides the great operational results, law enforcement colleagues in Member States and beyond were given the opportunity to learn each others' techniques and tactics and to share best practices.

In 2012, 208 operational meetings and 30 EMPACT meetings were financed by Europol.

Mobile office

Operational support can be extended by deploying the Europol mobile office, with dedicated analysts and experts, to provide on-the-spot assistance in the Member States.

[Image:] Europol mobile office

Live connection to Europol's centralised databases and platforms for experts. Europol has developed a powerful mobile office solution that allows Europol officers to access the full range of information retrieval and analysis tools from any remote location, using the highest security standards. In 2012, Europol deployed its mobile office 91 times to support ongoing Member States' investigations.

2012 in figures

Europol used its information capabilities and operational expertise to support authorities in EU Member States in 15 949 cross-border cases — a 16 % increase compared to 2011. Altogether 414 334 messages were exchanged between 373 competent authorities in 27 Member States and 22 third partners.

To support Member States' investigations, Europol produced:

- 1621 hit notifications
- 1429 cross-match reports
- 712 operational analysis reports
- 470 knowledge products.

Europol deployed its capabilities granting direct access to its databases and sending its experts to the scenes of ongoing investigations:

- 91 times with the mobile office
- 28 times with the mobile forensic IT kit.

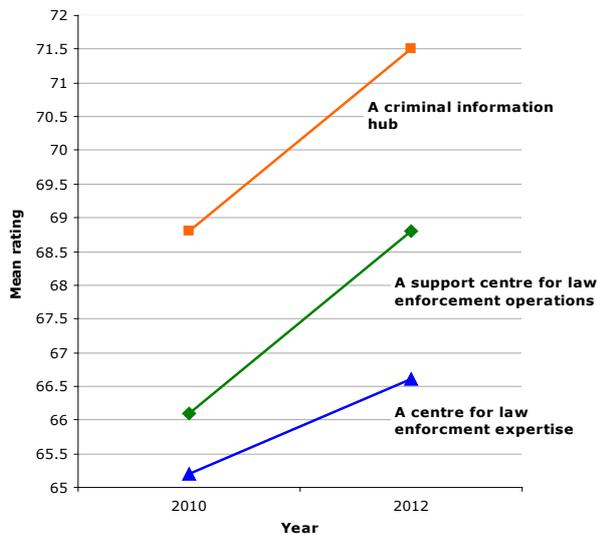
Satisfaction survey

In 2012, the biennial web-based user satisfaction survey was conducted by external provider, EPSI Rating International. The overall response rate for the survey was 49%, with a total of 769 users participating in the survey.

The results of the survey indicated growing levels of satisfaction with Europol. Scores recorded in each of the seven aspects measured were the highest ever achieved since the introduction of the Europol User Survey in 2002.

[Image:] Perception of Europol by its users from Member States and cooperation partners, based on ‘The Europol Users’ Survey 2012’

Europol made progress in realising its vision with higher scores received for 2012 than in 2010 for each component of the vision (see graph below).



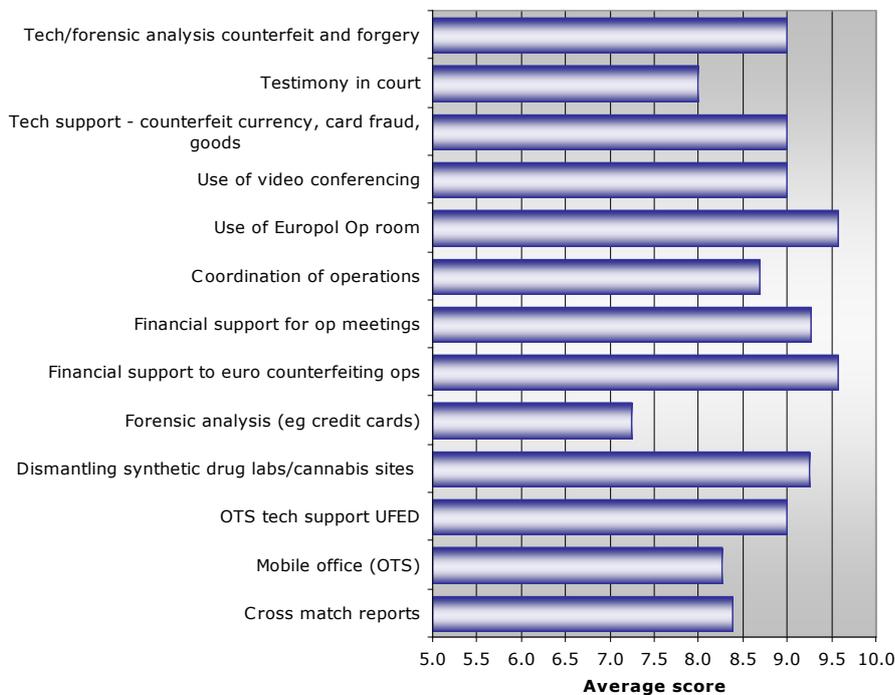
Positive comments were received from users via this survey including:

- *“Our country is small and our national experts are few and overworked. The support that we have gotten from Europol, especially in relation to motorcycle gangs and the import of drugs, is invaluable for us”*
- *“Europol is great from all points of view and we are very satisfied with the good cooperation.thank you for everything, you are GREAT. Our police officers are becoming more and more convinced about using the Europol channel”*

In 2012, Europol again requested direct feedback from lead investigators whose operations had been supported by Europol. In total, 54 investigators were surveyed in relation to 28 operations. The feedback from this process showed that Europol products and services provided added value.

Respondents rated operational services highly, particularly: financial support to euro counterfeiting operations; the use of the Europol operational room; financial support to attend operational meetings; and dismantling drug sites.

[Image:] Assessment of Europol’s operational support services by lead investigators, 2012.



Positive comments were received from investigators which include:

- *“We appreciated the availability and the determination of the Europol staff and they provided added value to the investigation. Even if all the information contained in the reports was not able to be included in the operation it is incontestable that the work of the analysts allowed us clear insights into the network, their structure and links between individuals.”* [An investigator from France]
- *“The use of Social Network Analysis to support the idea that the investigated persons were in fact an OCG was very valuable”* [An investigator from Spain]
- *“On-the-spot analysis when seized cell phones have been evaluated - this gives real support to national investigations with international dimensions”* [An investigator from Hungary]

[Image:] Excerpt from a letter from Beiersdorf management

“On behalf of all my colleagues in Beiersdorf AG and Nivea Poland, we wish to express our sincere thanks to Europol for coordinating Operation Blue Balsam through its impressive execution.

This operation closed down the first major counterfeit production facility and distribution network ever found within the EU, that was active for several years, and has had a significant impact on the criminals’ activities. As such, an operation of this scale has required careful coordination by Europol to bring it to such an effective conclusion.

We understand that other international brands have been affected by this criminal enterprise, and it is clear that without the support of Europol it is highly unlikely these levels of success would have been achieved.”

Some improvements to analysis and operational support were suggested by respondents, including faster processing of applications for financial assistance, better use of real time data and closer involvement with investigation teams.

3.1. Drugs

The drugs phenomenon is a major concern for the citizens of Europe because of its impact on both collective and individual health and safety. Fighting drug-related crime has been a priority for Europol since its very beginning.

3.1.1. Cannabis

The cannabis market constitutes the largest portion of the illicit drugs industry. Globally, cannabis is the most prevalent drug in terms of production, trafficking and consumption, and is also the most widely used illicit drug in the European Union. Annual cannabis consumption in the EU is currently estimated to be around 2 500 tonnes, at an estimated market value of EUR 18-30 billion.

Trafficking and production of cannabis is an attractive business for many criminals as it is perceived to be low risk.

Europol maintains **the Europol Cannabis Cultivation Site Comparison System (ECCCS)** and the **Europol Logo System on Cannabis (ELSC)**.

Primarily, however, Europol initiates, supports and coordinates intelligence aspects of cannabis investigations, whilst enhancing information exchange, knowledge and experience of the cannabis trade.

In 2012, a noticeable improvement was registered in the quality of intelligence generated from ongoing investigations. This led to Europol being involved in significantly more live investigations in the Member States.

OPERATION CAPEA

Main crime area: Drugs – cannabis and speed

Participating countries: France, Spain, Netherlands

Scope of the operation

A criminal organisation was investigated by Guardia Civil in Navarra, Spain, on suspicion of receiving cannabis resin from another OCG in Valencia, sourced from Morocco. This group was moving the drugs in horse transporters. When the cannabis resin was received by the OCG in Navarra, it was concealed in metal cans and then transported by lorry to the Netherlands through France. French Police intercepted a lorry containing 675 kg of cannabis resin. This consignment was en route to the Netherlands to be exchanged for 200 kg of speed, and sent back to the criminals in Spain for onward distribution. Links were also discovered to another violent criminal group involved in contract killings and extortion.

Europol's contribution

Links between French and Spanish investigations were identified. Europol hosted one operational meeting and two meetings took place at Eurojust. Operational intelligence analysis was provided to the investigators. The combined efforts had the purpose of outlining the structure and activities of criminal organisations active in trafficking cannabis resin sourced from Morocco and distributed through Spain and France to the Netherlands.

In early July 2012 two Europol officials participated in the action day, supporting the Spanish authorities with the Europol mobile office and the Universal Forensic Extraction Device (UFED). They also supported the dismantling of an indoor and outdoor cannabis plantation. While the house searches were carried out, Europol officials on site examined documents and bank accounts, and helped to establish the real identities of some of those arrested. In addition, information from more than 35 mobile telephones was extracted using the Europol UFED.

Results

- The organised crime group and its criminal activities were dismantled.
- The Spanish Guardia Civil undertook 25 house searches and arrested 27 people in Valencia, Madrid, La Rioja, Zaragoza and Navarra. The people arrested were linked to three international drug trafficking organisations.
- Additionally, 4.3 kg of speed, an indoor cannabis plantation, more than 100 cannabis plants, cocaine, ketamine, other illegal substances, four firearms, an electronic device detector and money were seized.

OPERATION ROYAL

Main crime area: Drugs - cannabis

Participating countries: Belgium, Netherlands, Spain, Germany

Scope of the operation

The target of this operational cooperation was a kin-based criminal organisation active in trafficking large quantities of hashish from Morocco, its further distribution in the countries concerned and the subsequent laundering of profits via real estate investments in Morocco. Spain contributed to the activities with an intelligence support role. Bilateral cooperation took place directly between Belgium and Morocco.

Europol's contribution

Europol's role was to provide information exchange and analysis support in order to enhance the efforts aimed at outlining the structure and activities of the OCG and its branches mainly located in Belgium and the Netherlands, as well as Germany.

The analytical findings provided direct links, previously unknown to investigators, between the Dutch investigation and another ongoing case targeting an OCG using fishing boats to smuggle tonnes of hashish into Spain for subsequent further distribution.

Information exchange and coordination meetings took place. Certain aspects concerning judicial cooperation were addressed through Eurojust.

Europol officials provided direct intelligence support during the joint police action. Two mobile offices and UFEDs were dispatched to police headquarters respectively in Liege, Belgium and Nijmegen, Netherlands.

Results

The first operational action took place in Germany in early May 2012. This included the arrest of three suspects composing part of the German branch of the OCG.

An action day in the Netherlands and Belgium took place in late September 2012 resulting in more than 15 persons arrested and 30 house searches. The outcome was as follows:

- 13 suspects arrested in Belgium;
- 2 suspects arrested in the Netherlands;
- 10 house searches executed in the Netherlands and Belgium;
- Approximately 250 kg of cannabis resin and EUR 60 000 seized in the Netherlands;
- Bank accounts and real estate seized in Morocco.

3.1.2. Cocaine

After cannabis, cocaine is the second most commonly used illicit substance in Europe. About four million Europeans are reported to have used cocaine¹⁰ and it is estimated that around 15.5 million adults (aged 15–64) have used cocaine in their lifetime. This reflects the rapidly growing trafficking flows and spread of cocaine use in Europe. Next to the United States, the European Union remains the second largest consumer of cocaine in the world.

¹⁰ European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), Annual Report 2011, The State of the Drugs Problem in Europe.

At Europol, cocaine-related organised crime networks come under a dedicated project activities of which include:

- collecting intelligence associated with the activities of suspected criminal organisations and networks involved in the production, processing or trafficking of cocaine, including intelligence relating to precursor chemicals and cutting agents
- providing a centralised service for the fast and efficient processing and analysis of data related to criminal cocaine trafficking networks;
- disseminating analytical reports to support Member States' ongoing investigations, which have led to the arrest of high-value targets and the seizure of tonnes of cocaine;
- identifying possibilities for establishing joint investigation teams, common operations and parallel investigations, enabling European-wide law enforcement cooperation;
- providing Member States with tactical and strategic information on key suspects and their associates;
- tracing the money flows originating from cocaine trafficking and assisting Member States in freezing and confiscating these illegal proceeds, helping to weaken the position of the criminal groups producing and trafficking cocaine;
- initiating and enhancing operational and strategic cooperation, as well as information exchange between EU and non-EU countries, focusing on the disruption of the criminal networks.
- providing on-the-spot support to investigations and expertise in dismantling cocaine laboratories.

Within this dedicated project, Europol runs **the Europol Cocaine Logo System (ECLS)** which consists of the Cocaine Logo, Cocaine Punch and Specific Means of Concealment databases.

The ECLS collates information on modus operandi, photographic and basic forensic information on cocaine seizures, and on logos or markings on the drugs and their packaging. This enables Europol to identify matches between seizures that enriches intelligence to further support investigations into the criminal groups involved.

Furthermore, Europol provides support in the implementation of the strategic goals related to the EU priorities for fighting organised crime. Three of the EU's priorities are linked to cocaine trafficking.

OPERATION PLAYA

Main Crime Area: Cocaine smuggling

Participating countries: France, Spain and Sweden supported by Andorra, Colombia, Cyprus, Estonia, Germany, Israel, Malta, Netherlands, Switzerland, UK, USA, Venezuela

Scope of the operation

The investigation began in Sweden but with strong international dimensions. During a coordination meeting held at Eurojust, a Joint Investigation Team (JIT) was established to enable the rapid exchange of information and other forms of cooperation between the participating countries.

Europol's contribution

Europol provided operational analysis and facilitated the identification of key players involved in the organised crime group in Colombia, USA, France, French West Indies, Spain and Sweden. Additionally, they provided expertise and investigative support to the financial part of the case by facilitating the recovery of the assets obtained by the illicit activities of the organised crime group.

Results

- Eight members of the criminal group faced criminal charges in Sweden for trafficking multi-tonne shipments of high-quality cocaine from South America to Europe.
- Another trial on money laundering related to drug trafficking started in Spain after a final verdict had been delivered in Sweden.
- More than 30 people have been arrested throughout the world.
- The investigators linked the suspected criminals to a sophisticated network of companies created to facilitate money laundering, money transfers and property acquisitions.
- 1.4 tonnes of cocaine were seized on a 15-metre sailboat bound for Europe. The total amount of seized cocaine had a street value of almost EUR 500 million.
- Spanish National Police froze several bank accounts as part of the investigations into money laundering and approximately EUR 6 million was seized in five different countries, linked to reinvestments in real estate, a discotheque, businesses, luxury vehicles and ships. The network appears to have invested and spent at least EUR 12 million.

3.1.3. Synthetic drugs

The European Union remains a significant region for the illicit production of synthetic drugs, particularly amphetamine and ecstasy. Each year around 60 to 90 large-scale production sites are identified and dismantled.

Storage sites for potentially dangerous precursor chemicals used in the drug manufacturing process are also often discovered during the course of investigations in Member States. These precursor chemicals are smuggled in from Asia or are self-produced in the EU.

An emerging trend in the EU is the rapid spread of new psychoactive substances. In 2012 a total of 70 new psychoactive substances were officially notified to Europol and the European Monitoring Centre for Drugs and Drug Addiction. This represents the largest number of substances ever reported in a single year.

Europol's operational support includes the coordination and initiation of criminal drugs investigations as well as on-the-spot assistance to EU law enforcement agencies during the secure dismantling of illicit drug production facilities and the collection of evidence. Europol also carries out technical investigations on custom-made and industrial equipment seized from drug production and storage units.

The Europol Illicit Laboratory Comparison System (EILCS) comprises detailed photographic and technical information on synthetic drug production, storage and dump sites. This enables the identification of matches between seized equipment, materials and chemicals. In addition, **the Europol Synthetic Drug System (ESDS)** includes information on modi operandi and significant seizures. This enables the identification of matches between seizures and helps to profile and target criminal groups.

In 2012, as usual, Europol and CEPOL provided a two-week training course on dismantling illicit synthetic drugs laboratories for representatives from all EU Member States.

OPERATION FIRE

Main crime area: Synthetic drug trafficking

Participating countries: Bulgaria, Germany, Netherlands, Sweden

Scope of the operation

An international organised crime network, responsible for the large-scale production and trafficking of synthetic drugs, was broken up following an extensive investigation by European law enforcement authorities.

The investigation began when Swedish authorities identified large quantities of amphetamine being trafficked into Sweden. Cooperation was then launched with Europol and other EU Member States when enquiries confirmed that an international criminal network was involved. Parallel investigations started in Sweden and Germany, while other concerned countries supported the operation and conducted their own enquiries.

Europol's contribution

Europol assisted with the coordination of Operation Fire and the exchange of criminal intelligence. Europol deployed its mobile office to support the Dutch customs in profiling the containers arriving at Rotterdam in the preparation of the operation execution. During the week of action Europol and Interpol performed cross-checks on the request of the participating countries using the Interpol coordination centre – Europol deployed its mobile office at Interpol.

Results

- The operation resulted in the arrest of the key members of the criminal network, the discovery of three illegal drug production facilities and the seizure of over 100 kg of amphetamine, significant quantities of drug precursors, ammunition, firearms and explosives.
- During the operational phase of the investigation, 30 kg of amphetamine were seized in Sweden and three suspects arrested as well as two in Germany and one in the Netherlands.

- In addition, cooperation with Bulgarian authorities led to the arrest of three members of the organised crime network and the dismantling of three illegal synthetic drug production facilities.
- The Bulgarian authorities seized approximately 75 litres of amphetamine base (enough to produce around 120 kg of pure amphetamine), 15 kg of amphetamine substance and over 1400 litres of various chemicals to produce synthetic drugs.
- Equipment, including two tableting machines, together with five firearms, 150 rounds of ammunition and 6.4 kg of trinitrotoluene (TNT) was also seized.

OPERATION MOLDES

Main crime area: Synthetic drug trafficking

Participating countries: Ireland, Spain, Sweden

Scope of the operation

In the framework of an ongoing investigation, Sweden was monitoring suspicious shipments of new psychoactive substances sent from China to and/or via the EU. Based on this information numerous deliveries to Spain were identified. With the support of Europol, the Spanish Guardia Civil initiated an operation focusing on the Spanish hub of the Chinese OCG. Psychoactive substances from China were sent to Spain and further distributed all around the EU. The criminal network was led by an Italian national. Operation Moldes was directly linked to trafficking pre-precursors and new psychoactive substances to the EU and beyond.

Europol's contribution

Europol coordinated the investigation, starting with information exchange via SIENA. Europol delivered comprehensive operational analysis and organised and co-financed an operational meeting.

During the action day Spanish authorities searched premises and arrested main suspects. The international organised crime network was dismantled.

Results

- In total six people were arrested in Spain by Guardia Civil, and another five members of an international organised criminal network involved in synthetic drug trafficking in Europe were identified.
- 48 kg of psychoactive substances, mainly mephedrone, were seized.
- In addition to that, numerous parcels containing psychoactive substances destined for the UK, Bosnia and Herzegovina and Romania were intercepted.
- After collaboration with law enforcement authorities, 15 kg of mephedrone was seized in these countries.

3.1.4. Heroin

The European Union is also a significant market for opiates. Although demand and supply of opiates, mainly heroin, is relatively small when compared to other illicit drugs like cannabis and synthetic drugs, the social, economic and health problems associated with its use are huge. It is therefore considered a major threat to the security and health of European society.

In recent years, organised crime engaged in the illicit heroin trade has been characterised by increasing collaboration across national, ethnic and business boundaries. Heroin consignments to the EU are not controlled by a single criminal organisation, but rather facilitated by several, increasingly cooperative organised crime groups.

In 2012, Europol was involved in a wide range of operational support activities connected to the trade in heroin, involving predominantly EU, Turkish, West African and Pakistani traffickers. Europol is participating in two Joint Investigation Teams and supporting other cases focusing on large-scale international heroin trafficking.

OPERATION TROPO 68

Main crime area: Facilitated illegal immigration and drugs trafficking (heroin)

Participating countries: France, Germany, Switzerland

Scope of the operation

Investigation of an Albanian-speaking criminal group particularly active in facilitating illegal immigration, drugs trafficking (heroin and cocaine) and forgery of documents, operating between France, Germany and Switzerland.

Europol's contribution

Europol provided continuous analysis support to investigators involved in the case. Two Europol analysts went to St. Louis, France, to present the analytical findings achieved through social network analysis techniques. In April 2012 Europol deployed two mobile offices in France and Germany in order to get updated information, which was then analysed and served as a basis for developing a comprehensive operational analytical report that was distributed at the beginning of July 2012. In September 2012, Europol again deployed a mobile office to France and Germany in order to support the preparation of action days. The action days took place in October, and Europol deployed the mobile office to the operational centre in France. Financial support for an operational meeting held at Europol was also granted.

Results

- 48 members of an Albanian speaking organised crime network were arrested in the adjoining region of France and Germany during a simultaneous operation supported by Eurojust and Europol.
- 400 police officers, investigators and prosecutors from several European law enforcement agencies and prosecution offices participated.
- In total, about 9 kg of cocaine and heroin and 52 kg of cutting agent were seized during the operation.
- In addition, the equivalent of EUR 40 000 in cash were seized, together with luxury automobiles (Audi, BMW, Jaguar).

3.2. Trafficking in human beings

Trafficking in human beings (THB) remains a serious problem in the EU. This form of crime abuses individuals' human rights, and treats people as commodities. The scale and nature of THB in the EU is not easy to define, not least because it is often hidden within other criminality, such as prostitution, illegal immigration and labour disputes.

In 2012, information sent to Europol by EU Member States (MS) regarding investigations into THB increased by 200% when compared to the previous year. This allowed Europol to support more investigations in 2012 than in previous years, with a particular focus on the trafficking networks most active in the EU. This shows a rising awareness of this crime. It is also likely that the EMPACT Operational Action Plan on THB, supported by 17 EU Member States and Europol, Eurojust, the European Commission, Interpol, Frontex and CEPOL, has directed more attention to the crime and has led to an increased effort to tackle it across Europe.

A majority of the Member States (24 in total) participate in Europol activities directed at the fight against the THB. Counter-trafficking operations are conducted by MS on a regular basis. Europol supports them either in the preparatory phase, with the provision of operational analysis and information exchange, or by way of 'on-the-spot' support.

One such operation involving Europol on the ground was a joint action day in the frame of EMPACT subproject Etutu, an innovative pan-European operation to combat the trafficking of human beings from West Africa.

IMPACT SUBPROJECT ETUTU

Main crime activity: Trafficking in human beings

Participating countries: Austria, Belgium, Denmark, Germany, Luxembourg, the Netherlands, Sweden, Switzerland, UK

Scope of the joint action day

Targeting Nigerian criminal networks operating across Europe, the operation was carried out by law enforcement authorities in nine European countries. Simultaneous actions were led by Germany's Bundeskriminalamt (BKA) and coordinated by Europol. Locations linked to prostitution were checked in Austria, Belgium, Denmark, Germany, Luxembourg, the Netherlands, Sweden and Switzerland. In the UK, activity focussed on air transit routes into the UK and outbound to other European destinations.

Europol's contribution

Europol coordinated this pan-European operation from its headquarters in The Hague, facilitated information exchange and provided operational analysis throughout the investigation. Europol organised operational and coordination meetings. Europol operation rooms were used.

Results

- As a result, more than 460 West Africans, mainly women, were checked and identified in the countries involved.
- This phase of the investigation provided large volumes of additional information and intelligence which is analysed by Europol to help identify the key figures and criminal networks involved in human trafficking in Europe.

3.3. Facilitated illegal immigration

The term facilitated illegal immigration covers a number of different serious crimes, all aimed at assisting, for financial gain, entry into or residence in a country, in violation of that country's laws. Facilitated illegal immigration thus covers the production and procurement of falsified travel documents or permits obtained under false pretences, and the provision of clandestine transport or other assistance, in order to obtain illegal entry or stay — often connected to a number of other criminal activities.

In general, organised crime groups facilitating illegal immigration tend to be structured in loose networks of smaller groups, and most of them have ethnic or other cultural connections to the illegal immigrants they are facilitating. The organised crime groups involved display a high degree of flexibility and the ability to collaborate across borders, regardless of ethnic differences — even in regions where there is a tradition of ethnic conflict. The facilitators are quick to detect and make use of various changes, such as law enforcement tactics and changes in legislation or regulations, as well as the opening of new or cheaper transport routes or new border crossing points.

Europol provides analytical support to EU Member States to combat facilitated illegal immigration. The criminal networks involved in the facilitation of illegal immigration are sometimes also involved in other crime areas such as forgery of travel documents, drug trafficking, money laundering, trafficking in human beings and the like.

Europol divides this subject into sub-projects focusing on specific organised crime groups, nationalities, modi operandi or geographical areas.

Europol is part of two joint investigation teams: one on marriages of convenience and one on the facilitation of Sri Lankan nationals into the EU via Finland.

OPERATION FRY/GELDERMALSEN

Main crime area Illegal immigration

Participating countries Netherlands, UK

Scope of the operation

Europol supported Operation Fry/Geldermalsen, within the framework of JIT Snow (August 2010-December 2012). Investigators looked at the criminal activities of groups specialising in sham marriages between (mainly) Nigerian men and female Dutch nationals originating from the former Netherlands Antilles. The purpose of these marriages was for financial and personal gain.

The women were recruited in the Netherlands and flown to Britain to get married. Once married, the non-EU national would have access to all the UK services that an EU national would be privy to, including social security provisions, health, housing, education, etc. The EU national was paid between EUR 2 500 and EUR 3 500 for their role. The non-EU national could then also seek to bring their 'real' family into the EU under family reunion rules.

Europol's contribution

Europol facilitated information exchange and provided analytical support in the form of cross match reports and analytical reports.

Results

Within the framework of this investigation:

- 122 persons were arrested; including 32 in the Netherlands as part of Operation Dutch conclusion
- Nine Dutch nationals were extradited utilising European Arrest Warrants, with all individuals successfully prosecuted in the UK
- To date there have been 76 convictions with terms of imprisonment totalling over 100 years
- A number of associated facts are still under investigation.

OPERATION MARLO

Main crime area: Illegal immigration

Participating countries: Spain, UK

Scope of the operation

With the support of Europol, the Spanish Guardia Civil and the United Kingdom Border Agency (UKBA) successfully dismantled a major international criminal network involved in the smuggling of Iranian migrants into the European Union.

The Spanish Guardia Civil started an investigation into an organised crime group involved in facilitating illegal immigration from Iran to different EU and North American countries. The criminal group was composed of mainly Iranian nationals living in Spain and other EU Member States. The illegal immigrants were brought by car to Turkey and, after crossing the border to Greece, the travel continued to other countries within the Schengen area in order to take advantage of the free movement. The irregular migrants stayed in the transit countries until they were provided with false documents so they could continue to their final destination, in most cases the UK or Canada. The clients paid the organised crime group up to EUR 18 000 to facilitate their illegal immigration.

The criminal organisation had an extensive network of partners located strategically in the UK and also in other European countries. These partners were responsible for supplying the organisations' 'clients' with false documents and for taking care of practicalities like housing and transport. The organisation had good knowledge of legislation on immigration and asylum in different countries, allowing them to take advantage of legal loopholes and abuse legitimate forms of migration like weddings, reunions and asylum, thus ensuring the success of their illegal activities.

Europol's contribution

Europol supported the investigation by facilitating information exchange between the Member States involved and by providing operational analysis throughout the investigation. During the action day Europol deployed one mobile office and a mobile phone forensic kit to Madrid to support the operation with on-the-spot analysis.

Results

- Spanish and British officers carried out seven house searches in Spain and 11 in the UK.
- During the house searches, mobile phones, bank statements and forged travel documents were seized.
- During the investigation 20 arrests were carried out in several European countries.

OPERATION FIMATHU

Main crime area: Illegal immigration

Participating countries: Austria, Hungary

Scope of the operation

In September 2011 Austria and Hungary launched a joint response to the significant increase in illegal immigration into their countries by establishing Project Fimathu (Facilitated Illegal Immigration Affecting Austria and Hungary). As a result, 7 249 illegal migrants were apprehended and 891 smuggling incidents were identified in total in the two countries. The illegal migrants were mainly smuggled via Serbia to Hungary. Once on Hungarian soil they were smuggled onwards in mini-buses or vans to Vienna, often hidden in concealed compartments.

Europol's contribution

Within Project Fimathu all relevant criminal intelligence was shared with Europol, including data extracted from over 500 seized mobile phones. Europol processed and analysed the data to find relevant links between Austria, Hungary and the source and transit countries, to identify the criminal networks behind the illegal immigration.

Europol's support to the project is integrated in the EU Operational Action Plan on Immigration which has been prepared to meet the strategic goal: "To use the intelligence picture and risk analysis for more effective and cost-efficient border control, investigation and prosecution at the external borders and within EU territory".

Results

- 16 operations against facilitated illegal immigration networks were carried out by Austrian and Hungary authorities, with 439 facilitators arrested.
- Interest in the project has grown to the extent that 10 new countries have joined, namely: Bulgaria; Croatia; Czech Republic; Germany; Poland; Romania; Serbia; Slovakia, Slovenia and Switzerland.

3.4. Cybercrime

With cybercrime on the rise, the EU's dependency on computers and the Internet is making its citizens, businesses, and governments progressively vulnerable to this sophisticated security threat. The growing need for a centralised multidisciplinary response to the phenomenon prompted the decision to establish the European Cybercrime Centre (EC3) at Europol.

3.4.1. Foundations for the European Cybercrime Centre

The year 2012 saw an implementation of EC3 which focused on assisting the EU Member States in assessing, disrupting, investigating, prosecuting, preventing and reducing cybercrime. The efforts took place all year long and enabled the launch of this new modern capability as of January 2013.

EC3 aims to become the focal point in the EU's fight against cybercrime, through building operational and analytical capacity for investigations and cooperation with international partners in the pursuit of an EU free from cybercrime. The Centre is mandated to tackle:

- cybercrime committed by organised groups generating large criminal profits,
- cybercrime causing serious harm to victims, and
- cybercrime (including cyber-attacks) affecting critical infrastructure and information systems in the EU.

Over the course of 2012, EC3 successfully laid the foundations for creating a:

- Dedicated Multi-Disciplinary Centre for Cyber Innovation (MDCCI), to provide innovative and operational support to Member States' investigations in the cybercrime environment. The MDCCI will be used for digital forensic work in non-operational situations, and for research, development and testing of new techniques and technology in the area of digital forensics. Furthermore, it will serve to coordinate the MS' investigative measures and simultaneous arrests during international operations.
- Forensic IT lab which will serve as a dedicated environment for computer forensics carried out by Europol staff.
- Large File Exchange (LFE) system and a Malware Analysis Tool called Sandbox. The LFE system will provide MS and key stakeholders with the means to securely exchange large files amongst themselves, as well as with Europol. Not only does it envisage facilitated exchange of operational, crime-related files, but it will also enable the transfer of technical information, cybercrime knowledge and expertise. The Sandbox comprises a unique European secure and confidential malware analysis tool, which allows MS to upload malware for subsequent analysis.

3.4.2. Cyber criminality

Europol supports Member States in preventing and combating different forms of cyber criminality, and provides them with extensive support for their investigations into cyber incidents. The Europol mandate encompasses crimes directed against the computers and network infrastructures in the EU. Thus, Europol supports high profile cross-border operations and investigations, as well as Joint Investigative Teams. It also provides operational analysis, technical and digital forensic examination support to Member States, both on the spot and from Europol's headquarters. Additionally, it organises operational meetings and assists in the delivery of EMPACT priorities on cybercrime.

Graph: *Joint investigation teams (JITs)*

Joint investigation teams can be established to further improve police cooperation. The teams consist of judicial and police authorities from at least two Member States. They are responsible for carrying out criminal investigations into specific matters for a limited period of time. Europol and Eurojust can participate in and coordinate the work of JITs. In 2012, Europol supported 35 JITs.

Europol specifically supported the fight against the following forms of cybercrime:

- Hactivism – increasingly focusing on local issues and publishing illegally obtained and sensitive information about local governments, law enforcement and corporations.
- Malware – where cybercriminal groups continue to target the financial infrastructure with ever-evolving malware attacks. Criminals currently use combinations of different malwares, making the identification of the group through malware analysis more difficult. In this context, Europol supported a UK-led JIT - Operation Crossbill - resulting in jail sentences for three cybercriminals.

- Police ransomware - a specific kind of malware (which limits access to the computer of the victim, demanding a 'ransom' payment for the removal of the restrictions) whose use has grown exponentially throughout 2012. Europol initiated a number of activities in 2012 to either coordinate joint actions against groups of criminals actively exploiting police ransomware or to disrupt their infrastructures and businesses. Among others, Europol supported Spain in arresting members of an organised crime group involved in police ransomware and money laundering (Operation Limbo). The arrest of the main suspect took place in December 2012.
- Money mules – which remain crucial to the success of the cybercriminal operations. Europol launched Operation CySus, a coordinated operation on e-mule transactions. The operation aims to collect details of transactions sent and received by e-mules in MS in order to lay out the different routes used by cybercriminals to channel the profits they make from their malware business. These actions are in cooperation with several payment providers.

Europol continued to provide operational intelligence to EU Member States and other partners, resulting in a number of intelligence products on:

- Threats coming from Anonymous or linked groups of hacktivists
- A European project related to TOR¹¹ and anonymous surfing on the internet
- Police ransomware
- Measures to take against DNS changer malware
- Cybercrime in general, global challenges and Europol's instruments.

For the wider audience Europol published tips and advice on:

- How to prevent police ransomware infecting your computer
- How to prevent identity theft happening to you
- Geosocial networking - what you need to know.

¹¹ TOR is a software that helps to conceal a user's location or usage from anyone conducting network surveillance or traffic analysis.

During 2012, Europol hosted two meetings of the European Union Cybercrime Task Force (EUCTF) which consists of the EU heads of cybercrime units, the European Commission and Eurojust, and serves as a platform for harmonising the EU's approach to the fight against cybercrime. It further translates strategic goals on cybercrime, set by the Council's Standing Committee on Internal Security (COSI), into operational activities and deliverables.

OPERATION THUNDER

Main crime area: Cybercrime: hacktivism
Participating countries: Spain, Bulgaria, Czech Republic

Scope of the operation

Operation Thunder began in June 2011 as a result of an investigation into hacktivists claiming to be part of the Anonymous collective. This particular group of hackers were responsible for a number of DDoS (Distributed Denial of Service) attacks, web defacements and publication on the internet of Spanish police officers' personal information.

Parts of the criminal infrastructure hosting the servers used by Anonymous to communicate and coordinate their actions were located in Bulgaria and the Czech Republic, but were remotely controlled from Spain. Once links with other Member States were discovered, investigators from the Spanish National Police Cyber Crime Unit contacted Europol in order to coordinate a counter action against the hacktivists and provide operational and forensic support.

Europol's contribution

Immediately after initial contact from the Spanish National Police, Europol assumed a central function as the information hub for the operation, thereupon facilitating the exchange of communication among police investigators assigned to this case in their respective countries.

Europol's assistance was also instrumental for rapidly obtaining the necessary documentation from a judicial perspective to approve the seizure of the evidence in both Bulgaria and the Czech Republic. Experts from Europol were deployed to provide on-the-spot operational assistance for the simultaneous arrests, house searches and the disruption of the servers. Europol's swift response enabled the retention of data contained in the servers hosted in Bulgaria, and its delivery to the Spanish authorities within less than 48 hours, where the information was further analysed.

Results

- Four arrests were made in Spain
- One of the suspects arrested was allegedly responsible for the administration of some of the secure communication channels used by Anonymous
- During the operation, links to South America were also discovered. In this regard, Europol involved Interpol, which conducted further investigations together with the Spanish National Police.
- Europol continued to follow the developments of the related investigations, and to serve as the data repository. The information is stored in Europol's databases and is recurrently checked against any serious organised crime investigations. Any hits are instantaneously reported to the concerned parties.

3.4.3. Child sexual exploitation

The term child sexual exploitation refers to the sexual abuse of a human being below the age of 18. Among other things, it includes the production of child abuse images and their online dissemination as particularly serious forms of crime committed against children. The internet as a mass medium is extensively used to distribute child sexual exploitation content, thus providing a platform for the online grooming of children. Furthermore, the relative anonymity offered by this means of communication makes it difficult to successfully locate and identify the offenders and to save child victims from further exploitation.

In relation to this crime, the following trends have been identified:

- After an observed decrease¹², since 2010 the involvement of worldwide criminal networks in offering pay-per-view websites is slightly on the rise
- Criminals are now focusing on hidden channels where private access is granted only to ‘selected’ users. The selection derives from the amount and kind of child abuse images that they share, and is sometimes based on respect and trust
- Child sex offenders make more and more use of sophisticated software to protect their anonymity. They utilise online storage and advanced encryption techniques to counteract digital forensic examination by police
- Child sex offenders travel or migrate to specific countries where children are offered by their families, or facilitators, for sexual exploitation and the production of child abuse material
- Illegal material is increasingly self-produced by teenagers or children who underestimate the risks of distributing their images or movie files mainly through social media or video-enabled instant messaging
- In some other cases, children are persuaded or coerced into producing the material by child sex predators through online grooming
- Online grooming and the solicitation of sexual messages through mobile phones and multimedia devices (‘sexting’) are also noted trends.

The increased numbers of offenders identified during the last decade in relation to sexual offences committed against children, confirm the growth of this criminal phenomenon, as well as the improved response from law enforcement agencies. To address the ever-increasing need for an EU-wide response, Europol launched a dedicated project to support participating Member States in preventing and combating the activities of criminal child abuse networks. The new Council of the European Union’s Directive on combating sexual abuse and exploitation of children, as well as child pornography, provides an improved legal framework for fighting this crime.

To date, Europol has helped to identify over 3000 suspects belonging to different criminal networks involved in offences related to the distribution of child sexual exploitation material on the internet. Support was given to 29 such international operations in 2012.

¹² European Financial Coalition (EFC) Strategic Assessment 2010.

[Image:] Project HAVEN

Europol's project HAVEN - Halting Europeans Abusing Victims in Every Nation - aims to detect and disrupt travelling sex offenders originating from the EU that exploit children globally.

In January 2012, a second project HAVEN joint action day was organised. This European operation was planned and executed by Europol in cooperation with national police, customs and border authorities at the main airports of Austria, Bulgaria, Finland, France, Hungary, the Netherlands, Slovenia, Sweden and the UK. Romania, Spain and Switzerland participated with enhanced cooperation for information exchange on passengers travelling through their countries' airports.

The authorities targeted persons primarily arriving from destinations known for 'child sex tourism' - countries and cities to which European paedophiles travel to engage in child sexual exploitation. The authorities checked and profiled returning passengers and conducted interviews, while several EU Member States assisted with information exchange, and prepared and carried out checks on passengers in transit from selected flights to other EU countries.

The ultimate objective of project HAVEN is to establish a permanent and proactive notification system on travelling European sex offenders.

Fighting child sexual exploitation is a constant challenge for law enforcement, due to technological advances that provide the offenders with easier and faster access to the material, while strengthening their ability to remain anonymous. An effective, cooperative approach is required between law enforcement agencies, judicial authorities, the ICT industry, Internet service providers (ISPs), the banking sector and non-governmental organisations. The contribution provided by officially recognised hotlines, which receive Internet-related child sexual exploitation information, should also be acknowledged. To this end, Europol works in close cooperation with Member States, and supports the following international projects:

- CIRCAMP - COSPOL Internet Related Child Abuse Material Project
- European Financial Coalition (EFC) which aims to disrupt the commercial gain behind child sexual abuse images
- Virtual Global Taskforce (VGT) which shares information and intelligence to run joint international law enforcement operations

Moreover, Europol provides an annual training course Combating the Sexual Exploitation of Children on the Internet for law enforcement officers and the judiciary. The training aims to develop and increase expertise, and help combat and dismantle child sex offender networks. In addition, participants build fundamental skills in investigating child exploitation on the internet and law enforcement investigation standards are shared. Opening the course up to members of the judiciary, such as prosecutors and judges, contributes to a better understanding of the crime area, the investigation methods used and the possible constraints that investigators can face. Following the 13th training course in 2012, over 600 law enforcement officers and 55 members of the judiciary from the EU and beyond have now received this training.

[Image:] *The 13th Europol training course on combating the sexual exploitation of children on the Internet*

OPERATION ATLANTIC

Main crime area: Online private file sharing networks

Participating countries: United States, France, Italy, Netherlands, Spain, United Kingdom

Scope of the operation

Operation Atlantic, led by the United States' Federal Bureau of Investigation (FBI) and coordinated by Europol, was concluded on 29 February 2012. The operation focused on individuals exploiting a private file sharing software for online child sexual exploitation purposes.

The case was launched after an operational meeting was held in The Hague between the FBI and Europol in November 2010. Intelligence gathered by the FBI during a long and complex investigation was distributed by Europol to France, Italy, the Netherlands, Spain and the UK in December 2010.

In order to strengthen cooperation and guarantee the effectiveness of this case, an FBI investigator was seconded to Europol in 2011.

Europol's contribution

Europol analysis revealed further links of several suspects to previous operations involving child sex offenders. In this respect Europol produced five reports relating to nine targets. In particular, two targets were already members of the 'Boylover' network, tackled by the previous Europol-coordinated Operation Rescue. The remaining seven targets were members of other paedophile networks, still under investigation. The above investigative and reporting activities facilitated the identification process in EU countries, which led to the detection of a network of offenders that were producing and distributing severe child abuse images, in some cases with toddlers and infants. The investigation also led to the identification of child sex molesters and several victims who had been sexually abused by these criminals.

Results

- After more than a year of investigations in EU Member States, 37 child sex offenders were identified.
- Among them, 17 were arrested for child sexual molestation and the production of illegal content.
- Moreover, eight victims have been identified.

3.4.4. Payment card fraud

The criminal market of payment card fraud within the European Union is dominated by well structured and globally active organised crime groups. Payment card fraud is a low risk and highly profitable criminal activity which brings organised crime groups originating from the EU a yearly income of around EUR **1.5 billion**. These criminal assets can be invested in further developing criminal techniques or can be used to finance other criminal activities or start legal businesses.

The majority of illegal face-to-face card transactions (skimming-related) affecting the European Union take place overseas, mainly in the United States.

There are several countries operating as key markets for illegal transactions with counterfeit EU cards. The problem of illegal transactions in the US has been reported to Europol by all 27 EU Member States (MS). There are also other locations where criminal groups with EU origins cash counterfeit cards. The top six locations are the United States, Dominican Republic, Colombia, Russian Federation, Brazil and Mexico.

Europol has precise intelligence and information about ongoing criminal activities against the EU, and being aware of the scale of the problem has successfully initiated investigative measures into criminal structures active overseas.

During 2012, Europol's dedicated project continued to provide support to EU law enforcement authorities in hundreds of international investigations into payment card fraud. The majority of the crimes had an international dimension – taking into account the origins of suspects, places where card data was obtained and illegal transactions made, and the final destination of the criminal proceeds.

The theft of payment card data, including skimming and data breaches, continues to be a serious problem. Moreover, skimming devices are becoming more sophisticated and able to bypass the latest countermeasures. Payment card data is the ideal illicit internet commodity as it is internationally transferable. Organised crime groups clearly benefit from globalisation, using foreign payment card data to purchase goods and services online. Credit card information and bank account credentials are the most advertised goods on the underground economy's servers. The quantity of compromised card details is substantial, reaching hundreds of thousands or millions, enabling criminals to sell the bulk data on the internet.

That is why Europol has established and maintains a technical experts' community, called PaySafe, within the Europol Platform for Experts. It is a technical platform restricted to a worldwide network of investigators and practitioners dealing with examination of skimming equipment. The experts are appointed by the EU Member States and come from national law enforcement agencies as well as private industry and academia. The platform is used to collect and exchange forensic and other information on payment card fraud. There are currently more than 100 users registered from 21 Member States and a few third countries.

In December 2012, the global Operation ‘Cloning Connection’ was brought to a successful conclusion with 105 suspects arrested in the EU. The operation had a significant impact and, for several months, illegal activities of many other organised crime groups ceased.

[Image:] Skimming

The copying of a payment card’s magnetic strip — without the knowledge or consent of the cardholder — usually happens when the card is used at a genuine ATM or point of sale terminal. A device ensures that the card’s data can be written (cloned) to new cards which are used to make illicit cash withdrawals, often done outside the cardholder’s country of residence.

[Image:] When using a cash machine

... Europol recommends some simple steps to avoid becoming a victim of skimming.

- *Stand close to the cash machine.*
- *Be alert and aware of others around you. If someone is behaving suspiciously, crowding or watching you, cancel the transaction and use a different machine.*
- *Protect your PIN code. Always shield the keypad with your hand and your body to avoid anyone seeing you enter your PIN. Do not tell anyone your PIN, even if they say they are a police officer or bank representative.*
- *If you spot anything unusual about the cash machine itself, do not use it and report it immediately to the bank or police.*

OPERATION CLONING CONNECTION

Main crime area: Payment card fraud
Participating countries: Bulgaria, Italy, Netherlands

Scope of the operation

This major police operation was run by the Italian State Police and the Italian Carabinieri. Valuable support came from the Bulgarian General Directorate Combating Organized Crime and from Europol's Operational Centre. Earlier arrests, carried out since the investigation started, brings the total number of suspects arrested to 105.

The investigation began in December 2010 when Italian law enforcement authorities performed sophisticated investigative measures, including cross-border observations and analysis of 240 000 phone calls. This resulted in the dismantling of an illegal payment card factory in Italy and the seizure of more than 100 skimming devices and thousands of credit cards codes. Investigative measures in Bulgaria focused on identifying suspects and the illegal production of equipment used by criminals across Europe to skim payment cards. The Bulgarian authorities focused on the cross-border dimension of the criminal structure by analysing contacts between group leaders and suspects active abroad.

The organised crime group had been very sophisticated and behind an advanced and very profitable scam which has affected thousands of card holders in 20 European countries. It is estimated that this criminal group realised about EUR 1.5 million a month through their illegal activities - equal to EUR 50 000 per day. This was done by conducting illegal transactions overseas - mainly in the Dominican Republic and Peru – using the skimmed cards' details.

Europol's contribution

Besides hosting meetings and running the operational centre, Europol provided key analytical, technical and logistical support.

On the day of action, the arrest of the suspected criminals and searches were carried out by Bulgarian authorities in coordination with Italian and Europol officers who were in Bulgaria with a mobile office.

Results

- 56 suspected members of a major network of payment card fraudsters (38 in Bulgaria, 17 in Italy and 1 in the Netherlands) were arrested in a coordinated raid across Europe.
- During the successful operation, the key suspects involved in the organised crime group were arrested and an illegal payment card factory, in Plovdiv, Bulgaria, was raided.
- In Bulgaria alone, more than 300 police officers were involved and in total 400 officers were active on the day in an operation spanning several European countries.

3.5. Intellectual property crime

Intellectual property rights (IPR) infringement refers to the violation of two main categories of recognised and protected rights. The first one relates to industrial property covering fields such as distinctive signs (trademarks), patents, designs and models (counterfeiting). The second refers to copyright of literary and artistic works such as film, musical work and software programmes (piracy). Counterfeiting is the offence linked to industrial property violation, while piracy is the offence connected to a violation of copyright.

For some years counterfeiting has not been limited to luxury products — it is a global problem affecting all types of goods. Counterfeiting and piracy can cause serious harm to the economy, consumers and society. They affect legitimate business by reducing sales and income, and consequently affect innovation, investment and the resources devoted to research and development. They encourage unfair competition as counterfeiters are unhampered by laws, regulations, rules, taxes and duties which legitimate companies have to obey. As a consequence, they affect employment and deprive national budgets of taxes and excise revenues.

Perhaps more seriously, counterfeiting can pose a significant health and safety risk to consumers, particularly considering that products such as electronic equipment, beverages, cigarettes, food stuffs, medicines, pesticides, clothing and toys have all been subject to counterfeiting.

Figures show that every year over 100 million counterfeit and pirated articles are detained by customs at EU borders.¹³ These figures do not take into account ‘intra-EU seizures’ and investigations made by other law enforcement agencies such as police and customs services. Furthermore, they do not include the detection of counterfeit products manufactured within the EU.

Intelligence and evidence gathered by Europol suggests that organised crime groups are effectively involved in piracy and illicitly trading counterfeit goods. The huge amount of money generated by their illegal activities, added to the low level of penalties or effective prosecutions in this area, has provided criminal organisations with the opportunity to make substantial profits, which in turn supports other criminal activities. These include links with illegal immigration, money laundering, smuggling, drug trafficking and corruption.

In 2012, Europol and the Office for the Harmonisation of the Internal Market (OHIM) organised a conference on fake and illicit pesticides. More than 100 participants from police, customs, regulatory agencies and prosecutor’s offices from the 27 EU Member States, Croatia and Australia, gathered for three days to exchange best practices and discuss how to tackle the problem of fake and illicit pesticides in the most effective way.

OPERATION IN OUR SITES – TRANSATLANTIC EDITION

Main crime area: Online piracy

Participating countries: USA, Denmark, France, Romania, Spain, United Kingdom

Scope of the operation

Seizure of domain names of websites selling counterfeit merchandise

¹³ European Commission – Taxation and customs union. Report on EU customs enforcement of intellectual property rights. Results at the EU border – 2010, 2011.

Europol's contribution

Besides the planning of the operation together with the National Intellectual Property Rights Coordination Centre in Washington (IPR Centre), Europol also gathered, centralised and communicated relevant intelligence to and from the Member States.

Results

- The IPR Centre and Europol received leads from various trademark holders regarding the infringing websites. Those leads were disseminated to 10 investigating U.S. Immigration and Customs Enforcement's (ICE) field offices in Baltimore, Denver, El Paso, Houston, Newark, San Antonio, San Diego, St. Paul, Buffalo, and Ventura, and to the investigating Europol member countries including Belgium, Denmark, France, Romania, Spain and the United Kingdom.
- In an operation coordinated by Europol, U.S. Immigration and Customs Enforcement and EU Member States' law enforcement authorities seized 133 domain names that were illegally selling counterfeit merchandise online to unsuspecting consumers. In the US, one person was arrested and USD 175 000 seized.
- The domain names are now in the custody of the respective governments of the participating countries. Visitors typing those domain names into their web browsers will now find a banner notifying them of the seizure and educating them about the federal crime of wilful copyright infringement

OPERATION PANGEA

Main crime area: Fake and illicit pharmaceuticals

Participating countries: 100 countries

Scope of the operation

Europol was part of a successful global operation to crack down on the illegal sale of medicines online.

Europol's contribution

- Europol supported Operation Pangea for the first time, deploying a mobile office at Interpol's Lyon headquarters during the week of action. In close cooperation with the Europol Liaison officer based at Interpol, relevant information was exchanged at Interpol's Coordination Centre.

Results

- The operation resulted in some 80 arrests and the worldwide seizure of 3.75 million units of potentially life threatening medicines worth USD 10.5 million.
- In addition to raids at addresses linked to the illegal online supply of medicines, some 133 000 packages were inspected by regulators and customs authorities around the world with around 6700 being confiscated
- Among the counterfeit and illicit medicines were anti-cancer medication, antibiotics, erectile dysfunction pills as well as slimming and food supplements.

OPERATION TRIBULUS

| | |
|--------------------------------|---|
| Main crime area | Fake and illicit pharmaceuticals |
| Participating countries | Cyprus, Spain, United Kingdom |

Scope of the operation

Criminals in Spain were trading fake and illicit pharmaceuticals linked to targets in the United Kingdom. Benefits from the illicit trade were sent to Cypriot bank accounts.

Europol's contribution

- Europol organised an operational meeting, based on intelligence from the Spanish Guardia Civil, and invited all concerned partners: Guardia Civil; City of London Police; the UK's Medicines and Healthcare products Regulatory Agency (MHRA); the Financial Intelligence Unit (FIU) in Cyprus; Spanish Agency for Medicines and Health Products (AEMPS); and the manufacturers Pfizer, Eli Lilly and Sanofi-aventis.
- Europol deployed a mobile office during the operation in Murcia, Spain.

Results

- House raids and four arrests in Spain (one Spanish, one Dutch and two Romanian citizens), plus two in the UK (two British citizens), were the result of an international police operation spanning several months.
- More than 300 000 doses (pills, healthcare products) were seized. The criminals arrested are suspected of being responsible for the import and distribution of large amounts of dangerous counterfeit medicines from China into Europe.

OPERATION OPSON

| | |
|--------------------------------|--|
| Main crime area | Counterfeit food and drink |
| Participating countries | Austria, Belgium, Benin, Bulgaria, Colombia, Czech Republic, Cyprus, Denmark, France, Germany, Greece, Hungary, Iceland, Italy, Ivory Coast, Jordan, Latvia, Netherlands, Nigeria, Portugal, Romania, Slovakia, South Africa, Spain, Sweden, Thailand, Turkey, United Kingdom, USA |

Scope of the operation

Hundreds of tonnes of fake and substandard food and drink including champagne, cheese, olive oil and tea were seized in this Interpol-Europol coordinated operation across 29 countries, thus disrupting the organised criminal gangs behind this activity.

The week-long operation involved police, customs and national food regulatory bodies in addition to partners from the private sector. Checks were carried out at airports, seaports, shops and flea markets across the 29 participating countries.

Operation Opson (meaning food in ancient Greek) had three key aims:

- Raise awareness of the dangers posed by counterfeit and substandard foods
- Establish partnerships with the private sector to provide a cohesive response to this type of crime
- Protect consumers by seizing and destroying substandard foods and identifying the criminals behind these networks.

Investigations are ongoing and the final results from Operation Opson will be released upon their conclusion.

Europol's contribution

- Besides assisting with the planning of the operation over six months, Europol provided operational support, deploying teams in Spain to assist the Spanish Guardia Civil in their operational actions, searching a factory of substandard caviar, and assistance to Hungarian customs.

Results

Law enforcement authorities recovered the following substandard products (falsely labelled or substandard in other ways according to national and European health regulations):

- 44 000 jars of substandard tomatoes (falsified expiry dates), seized in Italy
 - more than 137 168 litres and 30 tonnes of substandard wine
 - 9 336 bottles of substandard orange juice
 - dozens of tonnes of substandard fish, seafood and meat
 - substandard dairy products
- In Spain and Italy alone, almost 2 500 checks and inspections were carried out. In total, four people were arrested and seven are facing charges.

More results are still pending.

OPERATION BLUE BALSAM

Main crime area Fake cosmetics (balsam, shampoo, perfume and washing powder)

Participating countries Poland, Romania, United Kingdom

Scope of the operation

An organised crime group operating from Poland was producing huge amounts of counterfeit cosmetics and washing powder. These products were being sold in several EU Member States.

Europol's contribution

- Based on intelligence gathered from a private sector partner, Europol organised several operational meetings for the countries concerned. There was also valuable input from the private sector.
- Europol provided additional analysis and coordination, and during the day of action in Poland, Europol was present with a mobile office.

Results

- On 7 December, 90 police officers searched 14 premises in Poland and arrested six members of the organised crime group behind the illegal factories, warehouses and the wholesale process.
 - One of those arrested was a 44 year old man who was sentenced for the forgery of a worldwide- known cosmetic product back in 2003.
 - The perpetrators have all been charged with being part of an organised crime group producing and distributing goods with counterfeited trademarks. The products were manufactured under primitive conditions and little attention was given to creating a hygienic environment.

- Among the various products found during the raid, Polish police seized:
 - More than 10 tonnes of counterfeit washing powder,
 - 12 000 bottles and 60 000 labels of shampoos,
 - 15 000 boxes of body creams,
 - and 8200 bottles of perfume.
- Polish authorities stated that 90 000 boxes of counterfeit cream had been distributed in the UK market alone.

3.6. Cigarette smuggling

Europol supports law enforcement agencies in preventing and combating the activities of organised crime groups (OCGs) illegally manufacturing and trafficking cigarettes and tobacco products.

Tobacco smuggling is not a victimless crime. The lost government revenue is vital money that could have been spent on essential public services, such as schools, hospitals, roads and law enforcement.

- It is estimated that the illicit tobacco trade costs the EU about EUR 11.3 billion annually in lost revenue¹⁴.
- KPMG estimates that annual consumption of illicit cigarettes in the EU in 2011 was 65.3 billion. This is equivalent to 6 500 x 40 foot containers full of cigarettes. This number is the highest ever recorded level and shows a consecutive increase in the last five years.

To increase profits, illegal tobacco is produced with cheap materials, and with little regard for health and quality controls. These cigarettes are sold to smokers instead of genuine products, which meet certain standards. Counterfeits generally contain much higher levels of tar and nicotine than genuine brands, and produce more harmful carbon monoxide. They could incorporate a seriously unhealthy mix of cancer-causing chemicals including arsenic, cadmium, benzene and formaldehyde — far greater than genuine cigarettes. Seized counterfeit cigarettes have even been found to contain mites, insect eggs, fungi and faeces.

¹⁴ 2012 KPMG estimates.

Counterfeit and smuggled tobacco products are sold on open markets and customers are often unaware that they are buying illegal products. The money they pay goes directly to criminal groups, funding other areas of serious organised crime and terrorism.

- The United Nations Security Council investigative body — the Group of Experts — has reported how millions of dollars in illicit tobacco revenues are reaching Al-Qaeda, the Taliban and other terrorist organisations. Their report went on to state that these funds are also financing Congolese rebels, who recruit child soldiers and conduct mass rapes and murders.

- Many countries consider themselves merely transit countries in the illicit tobacco trade. However they are also suffering from this type of crime because OCGs need warehouses, transport and financial support to move the illegal goods from source to market and to launder the proceeds. Along these routes, black markets operate in logistics support to facilitate the trade, law enforcement can be corrupted and legitimate businesses suffer.

HUNGARIAN-ROMANIAN OPERATION

Main crime area: Counterfeit cigarettes

Participating countries: Hungary, Romania

Scope of the operation

Romanian and Hungarian authorities dismantled a criminal group made up of Romanian and Hungarian citizens who had set up a counterfeit tobacco factory in Hungary, producing considerable quantities of cigarettes.

Europol's contribution

The operation was coordinated, mainly bilaterally, between the Europol Hungarian and Romanian Liaison Bureaux.

Europol provided analytical support in the form of a cross match report and background information. This included hits with previous Europol data.

Europol also provided operational support in the form of advice from previous experience of dealing with illegal tobacco factory raids. This factory was producing counterfeit Plugarul brand cigarettes. Europol provided contact details of the real brand owner in Moldova and details of previous seizures of this brand in Europe.

Results

- The Hungarian Customs Service raided the location in Szolnok (150 km from the border with Romania), seizing two cigarette production lines, hundreds of thousands of counterfeit cigarette packs, over 31 tonnes of tobacco that was intended for processing, as well as hundreds of thousands of fake tax stamps.
- According to data provided by the Hungarian side, the seized merchandise would have evaded over EUR 2 million in excise duties.

3.7. Euro counterfeiting

Europol has the mandate to prevent and combat the forgery of money, in particular the euro, and has been designated as the European Union's central office for combating euro counterfeiting. This legal status qualifies Europol to act as a worldwide contact point for combating counterfeiting of the euro.

Europol cooperates closely with European Union Member States, the European Central Bank, European Commission, the European Anti-Fraud Office (OLAF), Interpol and other partners.

To fulfil this central office function, Europol offers a wide range of products and services to its partners.

- Europol actively supports law enforcement authorities by gathering, analysing, disseminating and facilitating the exchange of criminal intelligence, as well as providing other expertise and knowledge to assist investigations.
- Europol is involved in all major euro counterfeiting investigations in the EU, including joint investigation teams.
- Financial support and on-the-spot assistance is also given when requested.
- Europol provides forensic support to law enforcement agencies to determine the origin of materials and devices used for the manufacturing of counterfeits.
- We also provide technical support and training on tactical and technical issues related to protecting the euro from counterfeiting.

OPERATION 20C45a and 50c67c

Main crime area: Mass production of counterfeit euros

Participating countries: France

Scope of the operation

One of the biggest counterfeit euro print shops in Europe was dismantled in a French operation supported by Europol.

In June 2012, the French Forgery of Money Unit dismantled an illegal print shop producing euro counterfeit banknotes. The print shop located in France was fully dismantled and the production and distribution network was disrupted. Since 2007, 344 859 pieces of counterfeit 20 euro denomination banknotes and 51 517 pieces of counterfeit 50 euro banknotes were seized so far, representing a total face value of almost EUR 10 million. Around 90 percent of the banknotes were put into circulation in France and the rest in neighbouring countries.

Europol's contribution

- During the investigation phase (five years), Europol prepared intelligence reports and facilitated the exchange of intelligence.
- Europol also provided financial support to the investigation.
- Europol took part in the examination of the devices seized in the illegal print shop shortly after the operation.

Results

- 35 000 pieces of counterfeit 20 and 50 euro denomination banknotes were seized as well as all devices and raw material used to produce counterfeit euro banknotes. Ten suspects, from management to the lower level, were arrested for the production of counterfeit banknotes.
- The printshop producing the most important common classes in Europe (Rank 4) was dismantled.
- A wide range of printing equipment and raw material for further counterfeit production was seized, including an offset machine.

OPERATION DIANA TURBAY

Main crime area: Mass production of counterfeit euros

Participating countries: Colombia, Spain

Scope of the operation:

In August 2012 in Bogotá, the Colombian National Police (Dijin) who were supported by Spanish National Police, the U.S. Secret Service and Europol, dismantled an illegal print shop producing counterfeit foreign currency.

In total, 120 police officers were involved in carrying out 16 house searches in Bogota and two in Popayan (South Colombia). 12 suspects from management and middle management level were arrested.

Europol's contribution

- Assisted the operation by facilitating international cooperation
- Europol also provided financial support to the investigation.
- Europol took part in the examination of the illegal print shop and provided technical support on the spot

Results:

The following material and devices were seized:

- counterfeit EUR banknotes with a face value of EUR 1 930 400 (denomination 100 and 500),
- counterfeit US Dollars with a face value of more than USD 1 827 200 (denomination 100),
- counterfeit British Pounds with a face value of about GBP 50 250 (denomination 50),
- partly finished counterfeit Colombian Peso coins (about 20 000) and materials for producing counterfeit Colombian pesos coins,
- a variety of printing equipment such as inkjet printers, computers, hot foil stamping machines, guillotines, dies, holograms, inks, paper and printing plates for the production of counterfeit banknotes.

OPERATION 2 EURO COINS

| | |
|--------------------------------|---------------------|
| Main crime area | Euro counterfeiting |
| Participating countries | Bulgaria, Greece |

Scope of the operation

Bulgarian and Greek police were conducting mirror investigations into the production and dissemination of two euro denomination coins. Based on Bulgarian intelligence, which was forwarded to Greece through Europol, Greek police identified the possible location of the illegal mint shop in Northern Greece.

Europol's contribution

- Europol provided analytical support and had a crucial role in coordination and information exchange.
- Two operational meetings, in Bulgaria and Greece, were organised and financed.
- Europol experts provided operational and technical support in June 2012 during the dismantling of the counterfeit coin mint shop in Greece.

Results

After in-depth analysis and cross-border investigative measures, an illegal mint shop was dismantled in the rural area of Epanomi, near the city of Thessaloniki, on 26 June 2012. The clandestine mint shop was installed in the basement of a farmhouse. While searching the premises, police seized euro counterfeiting equipment, raw material for producing EUR 100 000, and several mobile phones and handgun ammunition.

The two main suspects - one Greek national and the other a Bulgarian/Greek national - were arrested in Nea Kalikratia, Chalkidiki.

Three more members of this OCG were arrested on the territory of Plovdiv, Bulgaria and the following items were seized:

- three pieces of euro counterfeiting equipment
- 50 pieces of counterfeit two euro coins,
- 79 pieces of materials for their production,
- 37 counterfeit USD 100 banknotes,
- six counterfeit euro banknotes in the denomination of 20, 100 and 200
- antique coins,
- 47 pieces of forged CHF 5 denomination coins,
- cocaine,
- three blanks for producing Greek ID documents,
- computers.

JOIN INVESTIGATION TEAM SELES

Main crime area: Euro counterfeiting

Participating countries: Bulgaria, Spain

Scope of the operation

Since July 2011 Europol supported this Spanish/Bulgarian investigation with the aim of dismantling an international organised criminal group involved in counterfeit euro banknote distribution in Spain. Intelligence provided by the Spanish National Police led to identification of the group leaders in Plovdiv city, Bulgaria. During a meeting at Eurojust in May 2012, agreement was reached to continue the joint investigation team.

Europol's contribution

- Europol provided analytical support and facilitated the exchange of information
- Together with Eurojust, a JIT agreement was concluded in May 2012 between the parties involved
- A Europol expert, in an associated JIT member capacity, supported the operation on the spot in June 2012
- Europol provided financial support to the investigation

Results

- Two suspects were arrested after an attempt to sell 30 000 in counterfeit 100 euro banknotes near a Plovdiv hotel.
- Ten searches were carried out of the suspects' premises and vehicles.
- In total during this operation police seized EUR 60 000 in counterfeit banknotes and other evidence.

3.8. VAT fraud

Missing trader intra-community (MTIC) fraud is a form of organised, sophisticated tax fraud carried out by criminals attacking the value added tax (VAT) regimes of EU Member States. The basic model of transnational intra-community VAT fraud involves at least two Member States.

The precise level of value added tax fraud throughout the European Union is difficult to quantify, but the most up-to-date figure by the European Commission is EUR 106.7 billion lost in VAT for 2006. This figure was supported by a joint report by the Courts of Auditors of Belgium, Germany and the Netherlands in 2009 which again estimated annual losses to be approximately EUR 100 billion.

MTIC fraud is carried out by organised criminals who put in place a structure of linked companies and individuals to exploit the differences in national VAT systems while disguising the real links between participants. Those involved in VAT fraud schemes who are initially responsible for the tax damage — the so-called missing traders — only operate for a short time, sometimes only weeks, before disappearing. The schemes may be based on real, or now increasingly virtual, ‘carousel fraud’ transactions, where the same ‘goods’ are sold and resold several times.

However, tangible goods-based MTIC fraud — often involving such commodities as mobile phones, computer chips or precious metals — is no longer the sole concern. A clear mutation into service-based fraud has been experienced, as fraudsters have shown interest in intangible items and extended their criminal activities into the environmental and energy markets.

The first trials of carbon credit fraudsters – who organised schemes in the trading of carbon emission allowances - came to court in 2012, with significant sentences handed down in cases in which Europol had played a role in disseminating intelligence to enrich Member States’ criminal investigations, or in providing support on the ground via its mobile office deployment. For example, the three major principals in Her Majesty’s Revenue and Customs (United Kingdom) Operation Tulipbox received sentences of 9, 11 and 15 years.

Legislative changes adopted by most MS by 2012 in the VAT treatment of sales in the carbon emissions markets have caused VAT fraudsters to eye other commodity markets. The deregulated energy market, in particular, seems to have an attraction for fraudsters and during 2011/12 Europol invested time with private sector bodies to increase awareness and promote Know Your Customer principles as the bedrock to underpinning legitimate trade, and helping deter fraudsters from entering the markets. Closer engagement between these bodies and their respective national competent authorities has also been encouraged, whilst the latter are fed with intelligence from Europol accordingly.

The Europol analysis project on MTIC fraud is the only EU level database for storing related criminal information and this has become the principal source of reference for law enforcement operations. The knowledge and data stored within Europol enables the development of a solid picture of this area of crime and identifies the most prominent criminal targets. Europol has become a centre of excellence for fighting cross-border MTIC fraud and related offences.

Structures which facilitate VAT and other financial frauds have also been the subject of a project at Europol, with specific attention being paid to the development of alternative banking platforms. These platforms, also known as payment platforms or virtual banks, are systems that provide the functionality of a bank, but outside of the regulated banking sector, have provided the opportunity for criminal groups to conduct their daily financial transfers between themselves, outside the remit of traditional banks and financial service providers, thus reducing exposure to money laundering regulations such as suspicious transaction reporting.

During 2012 Europol continued to support Member States' investigations into fraud in the carbon emissions trading, gas and electricity, and scrap metal markets, in particular. This has included the following key activities:

- A February 2012 conference at Europol on MTIC Fraud Facilitation Platforms.
- A November 2012 conference at Europol on Tackling Serious and Organised Tax Crimes. Both conferences were attended by over 75 delegates from law enforcement, tax administrations, academia and EU institutions.

- The establishment of two further Joint Investigation Teams into money laundering stemming from suspected MTIC fraud (Operation Couriers, Lithuania and Latvia) and cyber attacks leading to the theft of EU emission allowances from registries (Operation Hackers with Eurojust, Czech Republic and the United Kingdom). Europol's MTIC project is currently involved in five JITs.
- Mobile office deployments to support arrests and premises searches in France (Operation Terranova, carbon credits), Latvia (Operation Couriers) and Hungary (JIT Copper).
- Continued support to training programmes such as the Technical Assistance and Information Exchange Instrument (TAIEX) managed by the European Commission.

OPERATION COPPER

Main crime area: VAT fraud

Participating countries: Hungary, Slovakia, Czech Republic

Scope of the operation

A family group, based in Hungary, had been involved in VAT fraud schemes in non-ferrous metal trading in several neighbouring countries for a number of years. Missing trader companies were created within these MS, with 'straw' men fronting these businesses. All money received by these was withdrawn from banks in cash and then repatriated to the family in Hungary.

Operational meetings were held at Europol, with two additional formal meetings held at Eurojust.

Europol's contribution

- Ongoing operational and analytical support since August 2010 for criminal investigations related to VAT fraud in the scrap metal trade, and more recently trading in copper cathodes.
- Europol's analytical findings showed clear links between the countries above and the family group responsible, based in Hungary.

- At a meeting at Eurojust in March 2012, JIT Copper was established between the participating countries. Although not formally part of the JIT, Europol continued to provide analytical support.
- Hungary requested the deployment of the Europol mobile office and UFED kit to check and analyse data, in particular that obtained during the arrest phase of the operation from approximately 50 mobile phones.
- Further analysis is ongoing.

Results

- Coordinated searches were carried out by officers of the West-Trans Danube regional Criminal Directorate of Hungary's National Tax and Customs Administration. Officers from the participating countries and Europol were also present.
- 14 suspects were arrested, including eight members of the crime family.
- Assets seized included the equivalent of around EUR 4.8 million in cash, as well as luxury motor vehicles and real estate.

OPERATION JO.JO/GOTMA

Main crime area: VAT fraud and money laundering

Participation countries: Lithuania, Bulgaria, Italy

Scope of the operation

The Financial Crime Investigation Service of Lithuania arrested two Italian nationals in a local bank in Vilnius whilst trying to withdraw a huge amount of money from a bank account belonging to a Lithuanian company.

The cash was said to relate to trading in aluminium and was supposedly required to pay their Bulgarian suppliers and was allegedly to be transported via a courier. A subsequent house search led to the arrest of a further Italian national, whilst a substantial amount of administrative documents - in Bulgarian - were found at the house. Several computers were also seized during the operation.

Europol's contribution

- Early identification that the Lithuanian investigation 'Jo.Jo' had connections with a separate Bulgarian investigation, 'GotMa'.
- Two financially-supported operational meetings with investigators from all 3 MS were held in Sofia and Vilnius.
- Ongoing operational analysis to support the Lithuanian investigation in particular.
- The production of a digital forensic report – drawn from the analysis of nine seized high-tech items (PCs, laptop, iPad, hard drives, data loggers, floppy disc) which enabled investigators to meet a court deadline, resulting in the judge authorising the continued detention of the seized cash.

3.9. Money laundering and asset tracing

Indications are that 70 % of all crimes are acquisitive¹⁵, leading to immense criminal revenue. Thus, the majority of cases investigated by law enforcement have one common denominator — a financial motive for committing the crime. Following the money trail provides leads to the perpetrators, it may disrupt their associates and enables potential confiscation of the proceeds of crime. This approach attacks the economic base of criminal enterprise and prevents illegal proceeds being reinvested in further criminal activities.

Europol supports Member States in preventing and combating criminal money laundering activities through a dedicated operational analysis project. The project assists Member States through the analysis of operational data pertaining to suspicious transactions reports filtered by competent law enforcement authorities, currency transactions reports and ongoing money laundering investigations.

¹⁵ UK Cabinet Office, 2000.

The work exploits the intrinsic value of financial intelligence, like suspicious transaction reports, integrating such information with intelligence coming in from ongoing money laundering cases and cross-border cash detections. In addition, Europol provides horizontal support to other ongoing Europol projects by assisting specialists to analyse financial flows.

3.9.1. Financial Intelligence Group

Detecting criminal flows, supporting the tracing, seizure and confiscation of criminal proceeds, tracking criminals and terrorists through financial information: these are the main activities of the newly-created Europol Financial Intelligence Group.

Nowadays it is relatively easy to deprive an individual of his liberty and move the individual to the requesting jurisdiction, but it is rather complex to collect financial information or restrain assets of criminal origin that are located abroad. The Financial Intelligence Group is meant to address this underlying paradox, by supporting the operational activities of the Member States in the three areas of interest:

- asset recovery
- anti money laundering
- financing of terrorism.

3.9.2. Europol Criminal Assets Bureau

The Europol Criminal Assets Bureau (ECAB) assists Member States' financial investigators to trace the proceeds of crime worldwide, when assets have been concealed outside their jurisdictional boundaries. The ECAB exists primarily to trace the criminal proceeds in investigations supported by Europol.

In addition, other important aspects of ECAB's work include the establishment of asset recovery offices in the Member States, enhancing their cooperation at European level and hosting the secretariat of the CARIN network.

The Europol Criminal Assets Bureau has initiated a project to link Asset Recovery Offices (AROs), as competent authorities, to SIENA. The main purpose of this project is to increase the efficiency of the asset tracing process within the EU by linking the specialised services to a secure, reliable and fast communication channel. At present 19 AROs are linked as competent authorities to SIENA. As a result, in 2012 there was a very significant increase in the information exchange between AROs - 471 requests were exchanged to trace and identify criminal proceeds.

3.9.3. Camden Assets Recovery Inter-Agency Network (CARIN)

Europol hosts the permanent secretariat of CARIN, which is an informal network of judicial and law enforcement asset recovery experts. CARIN currently has 53 registered member jurisdictions, including all 27 EU Member States and nine international organisations.

A law enforcement contact and a judicial contact are nominated from each jurisdiction, to assist cross-border cooperation in tracing, freezing, seizing and confiscating criminal assets. These contacts assist with general questions about asset recovery in their own jurisdictions, and also provide operational support via available legal channels.

3.9.4. Anti-money Laundering Operational Network (AMON)

Europol was involved in the preparatory work for the launch of an informal network for anti-money laundering operational practitioners (AMON). The network was officially launched during the AMON Conference held in Prague, Czech Republic, in January 2012 which was attended by anti-money laundering practitioners from more than 30 countries and jurisdictions (including Russia, Israel, Georgia, Australia, the USA and Turkey). Since its launch, 15 countries and jurisdictions (Israel, Georgia and Luxembourg to name but a few) decided to join the network as a member.

AMON is an initiative that has been established to create an informal network of national contacts. It is a cooperative group focused on all aspects related to tackling money laundering activities. The AMON network aims not only to increase efficiency in the fight against money laundering but also to promote the fundamental principles of the intelligence-led policing concept, and to facilitate the exchange and sharing of intelligence and best practices.

OPERATION SNAPPER

Main crime area: Drug trafficking and money laundering

Participating countries: Spain, UK

Scope of the operation

Between February 2011 and February 2012, Europol provided operational support (analysis, expertise and coordination) to the UK Scottish Crime and Drug Enforcement Agency and the Spanish National Police in the framework of Operation Snapper, a case looking at drug trafficking and associated money laundering by a Scottish organised crime group (OC) group active in Scotland and Spain.

The OC group had a family structure, using spouses, partners and family members to launder the proceeds of crime. Front companies and quasi-legitimate businesses were used to place and layer money. Much of the proceeds of crime were integrated in real estate in Spain, with key targets funding property purchases for close associates. It is also suspected that the group may have benefitted from the assistance of a corrupt bank official in Spain.

Europol's contribution

An operational analysis report - which contained a social network analysis conducted on telephone numbers provided - was delivered to both countries in February 2012. The investigative stage of the Spanish and Scottish teams concluded with unexpected early intervention by the prosecutors in which key individuals were arrested and class A drugs were seized. Investigations led to the identification of additional suspects, the location of assets and properties bought with drug proceeds and financial support of legal entities. Dormant members of the OC group were residing in Spain to ensure the re-investment of illegal proceeds via their legal businesses. The last coordination meeting was held at Eurojust to agree on asset sharing matters in the prosecution phases.

Results

In the UK

- 45 arrests (16 of which are significant international criminals)
- 5 convictions (to date prison sentences totalling 26 years and 7 months)
- 13 seizures of cocaine with an overall value in excess of GBP 5 750 000.
- 4 seizures of Cannabis Resin with an overall value of GBP 370 000
- 17 cash seizures totalling GBP 343 461
- GBP 38 000 in criminal proceeds confiscated to date.
- GBP 2 433 700 of criminal assets in the UK have been identified.

In Spain

- 14 individuals arrested from the United Kingdom, Belgium and Spain
- 9 vehicles seized
- 3 properties seized
- Bank accounts frozen for the amount of EUR 600 000
- Seizure of 108 kg of cannabis
- Seizure of 3.1 kg of cocaine
- Seizure of 250 plants of marijuana

OPERATION ATHENA III

Main crime area: Money laundering

Participating countries

EU countries: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, United Kingdom.

Third countries: Croatia, Iceland, former Yugoslav Republic of Macedonia, Montenegro, Morocco, Norway, Serbia and Switzerland.

Organisations: Europol, Interpol, OLAF and TAXUD, WCO

Scope of the operation

Operation Athena III builds on the previous organisation of joint customs operations (Athena and Athena II) and focused on the detection of cross-border cash movements. Operational activities and threat assessments have shown that EU and Member States' laws on the declaration of cash are often violated when larger amounts of cash are transported from one Member State to another or to a third country. Moreover, cash amounts are often transported with a view to repatriating criminal proceeds and laundering money.

In order to further prevent, detect and map the infringements of the rules on the declaration of cash and related violations, Athena III was launched under the Danish Presidency of the Council of the EU, consisting of a pre-operational phase (Europol risk assessment) and a week-long operational phase. The main objectives of the operation were to:

- To improve cooperation between police and customs administrations at national and international levels
- To prevent, detect and map the breaches of the obligation to declare cash amounts of EUR 10 000 or more when entering or leaving the EU, as well as breaches of Member States' national laws when travelling inside the EU
- To detect potential cases of money laundering by examining declarations and seizures of cash

Europol's contribution

The Danish Presidency requested Europol to carry out risk analysis for the purpose of targeting prior to the operational phase. To that end, Europol collated relevant data from almost all countries that decided to take part in the Joint Customs Operation Athena III and produced a pre-operational risk assessment report. The data collection phase and processing of data took place in April and May, in which over 70 000 records of cash movements were dealt with.

Europol deployed the mobile office during the week-long operational phase in October 2012 at WCO HQ.

Results

Pre-operational phase

- Reported: 74 888 records of cash declarations and seizures
- 71 716 declarations
- 3 172 seizures

Operational phase

- Reported: 825 cash declarations and seizures
- 417 declarations
- 408 seizures
- Amount of money involved: EUR 155 million

3.10. Mobile organised crime groups

Mobile organised crime groups (MOCGs) are active throughout the European Union. Every EU Member State is affected by the offences these types of groups commit. They increasingly pose an EU-wide threat owing to their involvement in cross-border criminal and serious crime activities and their international networks.

Mobile organised crime groups operate with a high degree of flexibility and mobility in multiple jurisdictions and criminal sectors. Their travelling fundamentally involves temporary relocation from regions of origin to different areas of operations where the groups engage in opportunistic, high-volume crimes such as organised shoplifting or pre-planned criminal and organised crime activities, including serial burglaries or organised robberies (e.g. on jewellery stores). Thus, these groups are particularly known for their involvement in various kinds of property crime. However, their activities also include:

- ✓ (armed) robberies;
- ✓ house, business and distraction burglaries;
- ✓ organised shoplifting and pick pocketing;
- ✓ cargo and metal theft;
- ✓ cash-in-transit (CIT) and cash machine (ATM) physical attacks;
- ✓ theft of heavy machinery from construction sites;
- ✓ theft of luxury cars and trucks.

[Image:] Examples of mobility of the mobile organised crime groups.

The substantial illicit profits generated by these types of groups, as well as their increasing level of sophistication and involvement in other forms of criminal activities, needed a targeted EU-level response. Therefore, one of the priorities set by the Council of the EU in the fight against organised crime between 2011 and 2013 was to ‘reduce the general capabilities of mobile (itinerant) organised crime groups to engage in criminal activities’.

In light of the above, mobile organised crime groups have been on Europol's radar since 2009 and investigations into their activities are supported by various dedicated analytical projects. Europol has supported EU and non-EU Member States with:

- Strategic and operational - analytical and technical - support given to several investigations carried out by EU Member States. In particular, regarding strategic analysis:
 - Threat assessment on Lithuanian organised crime groups and their 'mobile' modus operandi
 - Situation report on mobile organised crime groups and scan notices were disseminated to MS on the 'Systematic Exploitation of Minors by MOCG' and on 'The involvement of Irish Mobile OCG in the illegal trade of Rhino horn'
- Coordination and operational meetings
- Engagement in the Operational Action Plan on Mobile Organised Crime Groups to reduce the general capabilities of these groups to engage in criminal activities (COSI/EMPACT);

Europol supported several international investigations:

- Motor vehicle trafficking involving mainly Romanian, Polish and Bulgarian MOCGs
- Metal theft involving Eastern European MOCGs as well as British travellers
- Crimes against the elderly mostly involving Polish MOCGs
- Cargo theft committed by Eastern European criminals also via the misuse of internet platforms and dedicated websites
- Cultural goods e.g. antique maps, rhino horns and antique artefacts, stolen from EU museums.

In addition, in support of MS investigations, Europol released a picture book containing suspects who appeared in the Rathkeale Rovers MOCG (Operation Oakleaf) investigation, as well as an updated version of the picture book containing suspects linked to crime against the elderly investigations.

Furthermore, alert reports on cargo theft and cultural property were disseminated to all EU Member States' authorities and other Europol partners.

OPERATION MITSUBISHI

Main crime area: Motor vehicle crime

Participating countries: Germany, Italy, Poland, Spain

Scope of the operation

From the end of 2011, police from Freiburg, Germany, and Guardia Civil from Calpe y Jávea, Alicante, Spain, were investigating this case in close cooperation with Italian and Polish law enforcement and Europol. The criminals, who were of German and Polish nationalities, were responsible for stealing Mitsubishi vehicles and vehicle documents. Their activities were first detected on the Spanish east coast. Once the gang had located a Mitsubishi vehicle, they broke the lock and stole the car after manipulating the ignition system. Sometimes they only managed to steal the vehicle's documents, which were then used for the sale of another stolen Mitsubishi. When documents had been stolen from a car, the thieves would mark the car with a discreet 'X', so that they did not target the same car and documentation again.

Europol's contribution

- Europol supported the investigations with operational analysis,
- Organisation of three in-house international operational meetings
- The close cooperation between German and Spanish Liaison Bureaux at Europol headquarters assured fast information exchange between the involved countries.

Results

- 10 arrests
- More than 100 suspect vehicles identified
- 26 vehicles seized

OPERATION OAKLEAF

| | |
|---------------------------------|---|
| Main crime area: | Property crime and fraud |
| Participating countries: | Belgium, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Sweden, United Kingdom. Joined later: Austria, Portugal, Spain, Switzerland, USA. |

Scope of the operation

Operation Oakleaf started in November 2010, on the initiative of Ireland, to target the activities of a mobile organised crime group of Irish origin. This group has been mainly involved in tarmac fraud, the distribution of counterfeit products (e.g. power tools and generators), organised robbery, money laundering and drugs trafficking in many EU countries.

In 2011, these criminals started to specialise in the theft and illegal trade of rhino horn, hence the activities of its members now being reported in North and South America, South Africa, China and Australia. More recently, they have also been associated with thefts of ancient Chinese (ivory and jade) artefacts.

As part of their criminal enterprise this highly organised group is establishing companies all over Europe in an attempt to legitimise and cover their illegal activities. The OCG members have laundered their illegal and undeclared income into properties, new luxury cars and other assets in Ireland.

After EU and non-EU law enforcement authorities agreed that a coordinated approach was vital to tackle this group, several operational meetings were organised at Europol in 2011 and 2012. The meetings highlighted how dozens of ‘minor’ cases that have occurred all over the EU are ascribable to this group, and a common way forward is being followed to disrupt their activities.

Europol's contribution

- Several cases were supported with ad hoc, timely analysis which assisted investigators during live surveillance operations. Fast feedback also helped prosecutors to keep suspects in custody. In December 2011, a Europol analyst supported French authorities in Paris with inputting data into the Schengen Information System
- Since the end of 2010, Europol has been the principal repository for intelligence and analysis on the group. Analysis has so far helped identify six primary targets and their associates.
- Several intelligence gaps were identified, over 1600 SIENA messages processed, over 25 000 entities have been created so far, and there is a constant flow of contributions for processing and follow up
- Europol Criminal Assets Bureau (ECAB) is also supporting the case to target the finances of these criminals.

Results

Thefts identified:

- 69 cases
 - 58 cases related to rhino horn (95 horns stolen)
 - 4 cases related to libation cups
 - 7 cases related to replicas

Attempted thefts:

- 14 cases, the latest in July 2012.

Arrests:

- 7 in the United Kingdom
- 3 in Sweden
- 3 in France
- 4 in Austria (convicted to 4 years, 3 years, 2 years and 15 months of imprisonment)
- 6 in Germany
- 1 in Switzerland
- 5 in the United States (2 were sentenced to 6 months)
- 2 in Portugal

Seizures of rhino horns occurred in the framework of investigations and/or arrests have been reported by Portugal, Spain, France and Ireland.

[Image:] Thefts of rhino horns since 2011.

OPERATION VB059

Main crime area: Robbery
Participating countries: Belgium, France, Germany

Scope of the operation

The French Gendarmerie operation VBO 59, was against a mobile organised criminal group of burglars of former Yugoslavian origin, using children to commit house robberies in the Lille area of France.

Europol's contribution

In September 2012, the Gendarmerie in Lille, together with police in Aachen (Germany), and police in Antwerp (Belgium), carried out an action day to arrest 18 targets of this operation.

To support the operation, during the action day Europol deployed an analyst with the mobile office. During the whole action, the mobile office was used to provide French colleagues with feedback and information on the targets of the investigation. Significant additional intelligence on telephones, vehicles and other entities was also provided.

Results

- 18 arrests
- Several house searches conducted in the participating countries,
- Seizure of several luxury cars, more than 12 kg of gold, hundreds of luxury watches and thousands of jewels.

OPERATION CAMBIO

Main crime areas: Extortion and robbery

Participating countries: Spain, Lithuania

Scope of the operation

The Spanish National Police, in cooperation with Europol and Lithuanian authorities, dismantled a multi-criminal Lithuanian network belonging to the Lithuanian ‘Bulotinai’ organised crime group. Ten people were arrested on suspicion of being involved in labour exploitation and 18 house robberies.

In April 2011, supported by Europol, Spanish agents started investigating an organised criminal group, formed by Lithuanian citizens, who were exploiting up to 40 Lithuanian workers in Spain. The victims’ income in Spain was paid through an interim staff agency in Valencia but then the criminal organisation, took around 50% of those salaries to ‘cover’, for example, housing, food, rent and the use of working tools. The victims received threats against their families to ensure they would not contact police.

Europol's contribution

An operational meeting was financed by Europol, with a workshop on this investigation organised between Spain and Lithuania.

Europol were able to provide Spanish investigators with deeper knowledge about the criminal group, which opened up the investigation. Several analytical products were delivered to Spain during the investigation. In addition, Europol also provide on-the-spot support to the operation in late February 2012 in Gandía by deploying a team of two specialists with the mobile office and the UFED¹⁶.

¹⁶ Universal Forensic Extraction Device (UFED).

Results

10 arrests were made and seven house searches were carried out in Gandía, Daimús, Tavernes de la Vallidigna and Almoines, Spain, where four firearms, a pistol-pen, jewellery, high-spec televisions, laptops, electronic devices, scuba diving equipment and other items were seized.

OPERATION BIJOUX 23

Main crime areas: Robbery

Participating countries: France

Scope of the operation

In June 2012, a large scale organised crime network made up of Georgian and Armenian nationals was dismantled in France by the French Gendarmerie, with support from Europol and Interpol.

The network members were suspected of committing over 300 offences in the region of Limoges, the north of France and Belgium, mainly residential and commercial burglaries and thefts. The stolen jewels were sent for sale to Antwerp, Belgium on a regular basis. The group was hierarchically structured on several levels (burglars, team leaders) and under the coordination of at least one thief-in-law (a criminal with high-ranking status who acts as a controller and regulator of Russian-speaking organised crime). Links were detected with Belgium, Germany and Spain.

Europol's contribution

The work of the French Gendarmerie was supported from the early stages of the investigation by Europol, which facilitated intelligence exchange with other Member States and delivered analytical products. On the spot, Europol supported the operation with one mobile office. Europol took the initiative to invite Interpol colleagues from the dedicated project to give support for the identification of the arrested people.

During the reporting period Europol produced 11 operational presentations, 26 cross match reports, 31 hit notifications, 5 operational analysis reports, 2 intelligence notifications reports and 2 early warning messages.

Results

- 21 suspects were arrested and an important amount of gold and jewellery was recovered.
- Europol assistance to the French operation is ongoing and the results of the interviews, seizures and house searches will be processed to generate further intelligence and investigative leads.

OPERATION CYCAR

Major crime areas: Organised vehicle crime

Participating countries: Cyprus – supported by many other states

Scope of the operation

Operation Cycar was the initiative of Cyprus supported by Europol, Interpol, TISPOL and Frontex. It targeted organised vehicle crime throughout the European Union. It was one of the largest operations in terms of the number of officers involved and the number of countries taking part.

National experts working from the Europol operations rooms were supported by experts from Interpol and TISPOL (the European Traffic Police Network) and had access to a wide variety of databases to help establish whether a vehicle was stolen. The Dutch TISPOL made available their TDS (Traffic Dialog System) database of documents associated with vehicles. The Swedish expert provided expertise on the Volvo model range and German experts had access to special data on cars manufactured in Germany.

Feedback from those involved showed that this way of working was effective and enabled officers to overcome the practical difficulties of tracing and identifying foreign stolen vehicles and supported live investigations.

Europol's contribution

Europol officers coordinating the operation made use of the state-of-the-art operations rooms to support the thousands of EU police, customs and border guards involved in the operation.

European law enforcement officers were working at borders, ports, car dealers, back-street workshops and scrap-yards, following up advertisements on the internet, investigating burglaries and robberies in which high value cars were stolen and searching for the specialist criminal gangs that roam across Europe stealing high value vehicles.

Results

The operation resulted in stolen vehicles worth EUR 2 million being seized and 75 people arrested.

The operation produced some excellent results in EU Member States, in particular:

- Italy: 21 stolen vehicles and motorcycles were identified and six people arrested.
- Portugal: 66 stolen cars were identified and 31 suspects arrested. In addition, illegal drugs and weapons were found.
- Romania: 53 stolen vehicles were identified and confiscated, including commercial vehicles. In total, 15 suspects were arrested.
- Spain: Eight high-end luxury vehicles were identified which were destined for export to Morocco.

3.11. Outlaw motorcycle gangs

Most members of motorcycle clubs around the world are part of normal society. However, a small percentage do not abide by the law and do not accept the rules of society. They call themselves 'outlaws' or 'one-percenters' and wear a specific patch on their jackets showing a 1% sign inside a diamond shape which means that they belong to an outlaw motorcycle gang.

To counter this threat, Europol's specialist project 'Monitor' helps prevent and combat the criminal activities of OMCGs such as the Hells Angels Motorcycle Club (HAMC), Bandidos, Outlaws and their support motorcycle clubs. The project follows a multidisciplinary and horizontal approach, focusing on the organised crime groups rather than just on the crime phenomena inherent to OMCGs, by:

- identifying the structures and members of these OMCGs;
- revealing the meaning of new phenomena within this subculture and detecting new trends through strategic analysis;
- informing the public and law enforcement about threats through Early Warning Briefs, Scan Notices and press releases
- initiating, promoting and coordinating new operational activities with operational analysis;
- supporting partners in policing major biker events, such as the 2012 HAMC World Run in Graz (Austria); the Harley Davidson Superrally 2012 in Ballenstedt (Germany); the Bulldog Bash 2012 in Stratford-Upon-Avon (UK); and other operational activities through the use of Europol's mobile office
- organising OMCG expert conferences and training courses throughout Europe, including the European Biker Gang Experts Conference;
- Providing high level support to law enforcement management, judicial and government authorities;
- supporting the European Platform for Gang Experts which is a unique environment for sharing strategic information, best practices, expertise and knowledge amongst law enforcement officers who are active in combating outlaw motorcycle gangs, street and other similar gangs.



The extremely violent brawls between rival clubs and second generation street gangs have proved to be a security risk to the general public and thus important for law enforcement authorities to monitor. Outlaw motorcycle gangs are considered a threat and a national policing priority in the majority of the 17 EU Member

States that participate in this project. To assist our partners more effectively, strategic and operational priorities have been identified including investigating the expansion of OMCGs into new areas of Europe, and their recruitment from the right-wing hooligan scene and street gangs.

[Image:] Growth of Hells Angels (HAMC) worldwide

[Image:] Growth of HAMC chapters worldwide since 1940

3.12. Terrorism

Terrorism continues to pose a serious threat to the European Union. Extremist and terrorist groups, such as al-Qaeda affiliates and others, are active in the EU and impact the lives of its citizens.

Although the influence of al-Qaeda core has diminished, the EU now faces an increased threat of terrorist activities by lone actors, who quickly radicalise themselves and pose a high security threat. Thus, the fight against extremism and terrorism remains a priority for the EU and Europol.

The internet plays an increasingly important role in spreading terrorist ideology and makes terrorism-related skills accessible.

Europol assists Member States to conduct successful investigations in this area by providing the following products and services.

- Analysis and analytical products such as reports, threat assessments and missing links for ongoing international investigations.
- Information exchange and access to Europol's databases, exchange systems and other expert platforms.
- Expertise through Europol's mobile office which enables on-the-spot assistance.
- Producing the annual *EU terrorism situation and trend report (TE-SAT)*, which presents basic facts and figures regarding terrorist attacks and arrests in the EU, including new trends.

3.12.1. Current intelligence Cell

The Current Intelligence Cell (CIC) fuses official data, supplied by national agencies, international partners and third parties, with relevant open source data. It produces daily, monthly and ad hoc reporting at both operational and strategic levels. It also seeks to track incidents and events in a timely manner to deliver forewarning and prompt reaction, where necessary.

During the reporting period, the CIC has continued to develop products such as the Monthly Intelligence Summary, which is now a centrepiece product disseminated to a large number of national and international recipients. Partner agencies have also been informed of relevant patterns, trends or emerging phenomena through ad hoc intelligence reports produced by the CIC. Some of the events covered by the CIC in 2012 have included the killings in Toulouse by Mohammed Merah, anarchist attacks against EU figures and offices, the bombing at Burgas airport, and the deaths of leading extremists.

The CIC has also undertaken the monitoring of threats to major events, such as the 2012 European Football Championship and the London 2012 Olympic Games, to support national authorities.

3.12.2. Terrorism and extremism

In 2012, Europol monitored the Islamist extremist phenomenon and its variations. Europol was also actively involved in operational and strategic support to the Member States in combating terrorism and violent extremism.

Special attention was paid to ethno-nationalist/separatist terrorism and right-wing violent extremism. Europol initiated and led an EU-wide assessment of the situation and threat posed by right-wing violent groups and individuals.

Besides its usual tasks, Europol provided significant operational analytical support to the Member States. Europol was involved in 16 major cases, including the investigation of the bombing at Burgas airport, Bulgaria, in July 2012, during which Europol processed mass data and exchanged more than 350 messages with the different partners involved. Europol provided the Bulgarian investigative team with several leads.

A dedicated team of analysts and specialists was also involved in the real-time monitoring and assessment of the threat level to the major sport events of 2012: the UEFA European Football Championship hosted by Poland and Ukraine, and the Olympic Games in the United Kingdom.

3.12.3. Maritime piracy

Since maritime piracy became a major issue, costs for the shipping industry have been spiralling due to higher insurance rates, security costs and the increased operational costs incurred on longer alternative routes.

Europol exchanges intelligence on maritime piracy and supports ongoing Member States' investigations into the phenomenon. In these efforts Europol is supported by 12 EU Member States, Eurojust, Interpol and the US Naval Criminal Investigative Service (NCIS). Europol's involvement focuses on the identification of key perpetrators, logistical assets and financial flows linked to the criminal activity. Intelligence suggests piracy could have connections with other organised crime such as the smuggling of human beings, weapons and drugs.

A unanimously endorsed United Nations Security Council Resolution¹⁷ calls on all of its 192 member countries to work in cooperation with Europol and Interpol to fight the criminal networks involved in maritime piracy off the coast of Somalia. This resolution was an important step forward as international law enforcement authorities provide the critical link between arrests, made through military interventions, and the investigation and prosecution of maritime pirates and their associated criminal networks.

¹⁷ United Nations Resolution 1950 (2010).

Europol maintains contact with the military operation EU Naval Force Somalia – Operation Atalanta¹⁸ through the UK Serious Organised Crime Agency.

In 2012, Europol supported the German-Dutch Joint Investigation Team Operation Nemesis, focusing on the piracy networks active in the Horn of Africa.

3.12.4. Check the Web

Europol's Check the Web portal enables competent authorities of EU Member States to share information on Islamist terrorist activities on the Internet via the secure Europol network and the Europol national units. Its aim is to create synergies between the Member States in the analysis of online Islamist terrorist activities.

In 2012, the Check the Web team:

- provided operational support to EU Member States
- analysed the online activities of several terrorist organisations
- identified the online activities of sympathisers to al-Qaeda-affiliated groups.

3.12.5. Countering Violent Extremism

Europol, in cooperation with the United States Department of Homeland Security (DHS), initiated an activity, referred to as Countering Violent Extremism (CVE), aimed at exploring opportunities to share knowledge, best practice and lessons learned in the actual countering of violent extremism on both sides of the Atlantic. A number of meetings and seminars were held during the year, along with a series of case studies, one of which resulted in a joint Europol/DHS report on the Oslo incident in 2011.

Europol launched a secure web-based Experts Platform for Countering Violent Extremism which can be accessed by EU MS and US federal, state and local law enforcement officials for online collaboration in this area.

¹⁸ European Union Naval Force: <http://www.eunavfor.eu>

3.12.6. European Explosive Ordnance Disposal Network

The European Explosive Ordnance Disposal Network (EEODN) enables experts to exchange knowledge about the disposal of explosive materials. The network contributes towards identifying best practices and organises training in partnership with EU Member States and third parties. It also keeps explosive ordnance disposal units up to date with the latest relevant developments. It is open to all police, government and military units that deal with explosives.

In 2012, two conferences on explosives, two conferences on CBRN, one exercise on a terrorist attack involving the use of explosives and chemical agents, and one training session on home-made explosives were organised. These activities took place in Cyprus, Denmark and Spain. The activities were co-funded by the European Commission and both EU Presidencies, with the support of Interpol and the Spanish Centre of Excellence on Countering Improvised Explosive Devices.

3.12.7. EU Bomb Data System

The EU Bomb Data System (EBDS) provides a platform for sharing timely and relevant information and intelligence on incidents involving explosives, incendiary and explosive devices (IEDs, IIDs)¹⁹, as well as chemical, biological, radiological and nuclear (CBRN) materials. The EU Bomb Data System also comprises incident databases for explosives and CBRN, as well as libraries and expert forums. Over 700 experts from almost all EU Member States, Norway and Europol are already connected and using the system.

The EBDS was used throughout 2012 for multiple investigations and enquiries taking place in the EU and outside of it to, among others, identify explosives and detonators of unknown origin and components recovered in post-blast investigations.

¹⁹ Improvised explosive device (IED); improvised incendiary device (IID).

[Image:] Project Rutherford

Project Rutherford is one of the actions of the EU CBRN Action Plan, aiming to inform EU Member States about the scale of radio and nuclear criminality and terrorism in, or with a potential impact on, the EU. The first report from Project Rutherford was issued in January 2012 and covered criminal incidents involving nuclear and radioactive materials in Europe in the period 2007-2009. A second report covering the period 2010-2011 is in progress and is expected to be issued in 2013. This project is the result of cooperation between Europol and Interpol.

3.12.8. Terrorist finance tracking programme

Following the EU–US Agreement on the Terrorist Finance Tracking Programme (TFTP), which came into force in 2010, several tasks were given to Europol. To carry out these new responsibilities Europol created a dedicated unit within its operational department which has three distinct roles:

1. To verify US requests to a designated provider(s) of financial messages (article 4 of the agreement).
2. To receive information provided spontaneously by the US Treasury (article 9 of the agreement).
3. To ensure close cooperation with Member States and an integrated response between Europol, Member States and Eurojust (article 10 of the agreement).

Europol has created a single point of contact for EU Member States and Eurojust to channel requests for relevant searches via Europol.

In 2012, cooperation on the programme continued to improve. Compared to 2011, more Member States used Europol to channel their requests for US TFTP searches. Europol and Eurojust also issued these requests to identify, track and pursue terrorists and terrorist finances.

Europol carried out an awareness campaign in the Member States and organised a strategic meeting at Europol for all interested practitioners. In addition, an operational meeting was organised at Europol for Member States concerned, to support an ongoing investigation on financing of terrorism.

In 2012, the unit produced its annual Situation Report on the Criminal Financing of Terrorism, and contributed to other Europol products such as the EU TE-SAT. Several other strategic intelligence and operational reports were provided for INTCEN and the EU Counter Terrorism Coordinator (CTC).

More than two years after its entry into force, the agreement and its safeguards have reached a very satisfactory level of implementation. This was confirmed by the second EU-US review of the TFTP implementation as presented to the European Parliament and the Council by the Commission in December 2012.

4 EUROPOL'S REACH

4.1. EU Member States' law enforcement agencies

Europol has a live 24/7 connection with the Europol national units based in the 27 EU Member States. This permanent exchange of communications and criminal data is possible thanks to the liaison bureaux located at Europol headquarters.

It is a crucial and effective way of maintaining contact with and support to around 2 million EU law enforcement officers and, most importantly, to all investigators whose operations could benefit from Europol's support.

Europol organises regular awareness-raising events for EU law enforcement officers to enhance their knowledge of Europol services that could help their cross-border cases. In 2012, seven of these seminars were organised in six countries and they were attended by over 900 law enforcement personnel. So far Europol has organised 21 such seminars in 18 European states. More than 2000 law enforcement officers have benefited from these awareness events. These seminars have proved to strengthen cooperation and improve the quality and quantity of criminal intelligence exchanged.

4.2. Europol's external cooperation

Europol has cooperation agreements with 18 non-EU countries²⁰, nine EU entities²¹, and three other international organisations²².

²⁰ Albania, Australia, Bosnia and Herzegovina, Canada, Colombia, Croatia, former Yugoslav Republic of Macedonia, Iceland, Moldova, Monaco, Montenegro, Norway, Russian Federation, Republic of Serbia, Switzerland, Turkey, Ukraine, United States of America.

²¹ CEPOL (European Police College), ECB (European Central Bank), ECDC (European Centre for Disease Prevention and Control), EMCDDA (European Monitoring Centre for Drugs and Drug Addiction), Eurojust, European Commission, Frontex (The European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union), INTCEN (EU Intelligence Analysis Centre), and OLAF (European Anti-Fraud Office).

²² Interpol, UNODC (United Nations Office on Drugs and Crime) and WCO (World Customs Organization).

There are two types of agreements Europol concludes with its partners. Strategic agreements make it possible for the two parties involved to exchange all information with the exception of personal data, while operational agreements also allow the exchange of personal data. In 2012 significant progress has been made in the process of concluding cooperation agreements with a number of partners.

As in previous years, Europol continued its close cooperation with other EU agencies and organisations active in the areas of freedom, security and justice.

Eurojust

Eurojust remains a strong partner for Europol at a strategic as well as operational level. The mutual participation in operational meetings or the joint support to Member States' Joint Investigation Teams forms the basis for daily cooperation. The annual conference for national JIT experts, co-organised by both agencies and following a rotating principle, this time took place at Europol.

The extension of SIENA to Eurojust is a mile-stone for improved communication.

A Steering Committee and a Task Force continue monitoring and improving the implementation of the cooperation agreement. Both agencies also strive for synergies at the administrative level with a view to make efficiency gains in times of financial austerity.

Eurojust has been involved from the beginning in the planning of European Cyber Crime Centre located at Europol as a member of its programme board. Eurojust have agreed to second an employee to European Cybercrime Centre on a part time basis to support the work of the Centre.

European External Action Service

Europol actively supported the strengthening of ties between Freedom, Security and Justice (FSJ) and Common Security and Defence Policy (CSDP) initiated by the European External Action Service (EEAS). Moreover, Europol's operational potential, available tools and priorities were explained to major stakeholders in the field of external relations. The establishment of an overarching cooperation framework between the EEAS and Europol was discussed. A bilateral working group was established.

Europol's relations with CSDP missions, EULEX in particular, were a subject of bilateral consultations. This led to further enhancement of the existing cooperation mechanisms. Piracy remained one of the key issues of mutual interest. Ways of closer operational cooperation against this threat were examined.

Frontex

Europol continued to support Frontex's joint operations in all three domains - air, sea and land external borders - mainly through the processing and assessment of personal or operational data. Both agencies regularly exchange strategic analysis on trends and patterns of illegal immigration in support of respective risk analysis products.

At the end of 2012, Europol and Frontex signed a Memorandum of Understanding (MoU) and a bilateral agreement, to allow for more active Frontex participation in investigations on facilitated illegal immigration and trafficking in human beings. The MoU provides the basis for the establishment of a secure line between both agencies and the bilateral agreement details the services and applications available through such a line, including access to Europol's Secure Information Exchange System (SIENA).

Interpol

Europol and Interpol continued their close cooperation throughout 2012. The Operational Action Plan, concluded bilaterally between both organisations in 2011 and comprising five distinct crime areas, has proven to be a useful tool to strengthen concrete operational cooperation and monitor the progress accordingly.

In line with Europol's strong involvement in the implementation of the EU policy cycle for serious international and organised crime, Europol is seeking to further involve Interpol in several EMPACT projects.

In this context, Interpol is a participant in four EMPACT projects. These include the priorities of West African and Western Balkan organised crime, trafficking in human beings and mobile organised crime groups. Interpol is an Action Leader in the West African priority and the partnership between Europol and Interpol is particularly valuable in relation to activities in, and engagement with, countries outside the EU, especially those that rely on Interpol as their principal international law enforcement coordination and support network.

Europol and Interpol have also expanded their cooperation in the area of DNA/biometrics: Europol participates in the Interpol AFIS²³ expert group and since 2011 is represented in the Interpol DNA Monitoring Expert Group.

In preparation for the opening of the European Cybercrime Centre in early 2013 and the Interpol Digital Crime Centre in Singapore in 2014, Europol and Interpol convened several meetings during 2012 to discuss synergies in the fight against cybercrime. Both organisations are represented in each others' governing boards in an advisory function.

²³ Automated Fingerprint Identification System (AFIS).

European Anti-Fraud Office (OLAF)

The establishment of an effective working relationship between the European Anti-Fraud Office (OLAF) and Europol was discussed in a number of meetings at various levels. A number of fields, such as customs cooperation and the protection of the euro against counterfeiting, in which the two entities could develop closer ties, were identified. Thus, the establishment of a joint working group was agreed, so practical aspects of cooperation can be discussed area by area.

European Police College (CEPOL)

Throughout 2012, Europol continued to participate in CEPOL's courses and provided support in a number of training activities, including work on common curricula, e-learning, and webinars. In line with its own operational training strategy, Europol is streamlining its training activities in coordination with CEPOL.

Europol has supported CEPOL in the development of the European exchange programme for police officers, to develop a European police culture, as expressed in the Stockholm programme, in particular through the organisation of study weeks.

Europol and CEPOL have jointly developed a course on the EU policy cycle for serious and organised international crime, which was launched in 2012.

4.3. European Police Chiefs Convention

On 30 and 31 May 2012, Europol hosted the second European Police Chiefs Convention (EPCC) at its headquarters in The Hague. It was a joint event between Europol and the Danish National Police, in the context of the Danish Presidency of the Council of the European Union.

The 2012 convention focused on the threats associated with organised crime and terrorism in Europe addressing at the same time, topical issues such as the global financial crisis and its influence on law enforcement worldwide.

The Convention drew together 240 chiefs of police, senior law enforcement officers and academic experts from 41 countries, EU bodies, Eurojust and Interpol.

The European Police Chiefs Convention became a key annual conference in Europe and one of the most important events of its kind in the world. The EPCC in 2012 was well received by the European Union law enforcement leadership and participants.

Encouraged by the positive feedback and tangible results from this big annual law enforcement reunion Europol will continue to organise the European Police Chiefs Convention every year. The improved concept of the event will include more in-depth work from high-level law enforcement experts throughout the year in expert working groups.

5 MOVING FORWARD

5.1. Strategy and goals

Europol's strategy and goals continue to be the frame of reference for our daily business, ensuring the best support for EU law enforcement cooperation.

While implementing this ambitious strategy, Europol will address the most important challenges ahead, but will also exploit all opportunities to make further progress and deliver tangible benefits. The strategy guides Europol on a planned path to implementing its main goals, delivering a unique set of operational services for the EU Member States and Europol partners in three main areas.

To function as the principal EU support centre for law enforcement operations

More will be done to maximise the operational value of information held by Europol and to streamline the delivery of analysis and other operational services. Europol is taking a leading role in establishing more effective cooperation between agencies and law enforcement partners, including Eurojust and Interpol.

To become the criminal information hub of the European Union

Cooperation between Member States in identifying common information gaps and investigation priorities is essential and will be further strengthened. Europol's unique capabilities provide the opportunity for Europol to excel as a central information hub in the EU and to build an information platform capable of facilitating a more effective operational response to key security threats. Further development of Europol's Secure Information Exchange Network Application (SIENA) will bring Europol closer to the law enforcement 'front line'.

To develop further as an EU centre for law enforcement expertise

Europol pioneers new techniques based on innovation and best practice as well as facilitating knowledge sharing and quality training in specialist areas, such as euro counterfeiting, terrorism and the dismantling of drug laboratories.

Europol will address any gaps in knowledge and expertise by

- developing and promoting best practice
- assisting Member States through support, advice and research in the areas of training, technical support, crime prevention, technical and forensic methods and analysis, and investigative procedures.

5.2 Looking ahead

Europol has gained an improved position on the EU stage in the last couple of years, partly thanks to the Lisbon Treaty, its new legal status (the Europol Council Decision (ECD)), and the agency's own strategy and improved capabilities. These developments make Europol a unique cooperation partner for EU law enforcement agencies and also an important contributor to the EU decision-making process.

Europol's Management Board agreed to a single evaluation of the ECD implementation and Europol's activities. This has been carried out to comply with Article 37(11) of the ECD²⁴ and to support the production of the European Commission's impact assessment before drawing up their proposal for the future draft Europol regulation.

²⁴ Europol Council Decision, Article 37(11): 'Within four years of the date of application of this Decision and every four years thereafter, the Management Board shall commission an independent external evaluation of the implementation of this Decision and of the activities carried out by Europol. The Management Board shall issue specific terms of reference to that effect. The report of the evaluation shall be forwarded to the European Parliament, the Council and the Commission.'

Following a procurement procedure the evaluator, RAND Europe, was selected by the Management Board. Interviews were conducted with Europol officials and relevant stakeholders and the final report was issued in June 2012.

The findings of the RAND evaluation report, which are publicly available on Europol's website, and the conclusions of Europol's Management Board on the recommendations contained in the report, were taken into account by the European Commission during the preparatory work on the draft Europol regulation. Also, Europol studied the recommendations carefully and developed an internal action plan in order to implement those which do not require legislative changes.

On 27 March 2013 the European Commission published its proposal for a 'Regulation on the European Union Agency for Law Enforcement Cooperation and Training (Europol)' (COM(2013)173 final). The proposal aims at aligning Europol's legal framework with the requirements of the Treaty of Lisbon, also by strengthening the oversight exercised by the European and national Parliaments. It proposes to integrate the European Police College (CEPOL) into Europol and envisages a new framework for Europol's data processing and data protection. The proposal will be adopted according to the ordinary legislative procedure.

As a leading EU law enforcement agency, Europol is always looking ahead for opportunities to streamline the fight against organised crime and terrorism. Such new opportunities have been identified and include a need to:

- enable more effective investigations on cybercrime, supported by centralised EU expertise and resources;
- explore better cooperation with the private sector to make greater use of expertise on issues like cybercrime, money laundering and intellectual property crime.

Regardless of new policy possibilities, Europol's primary purpose remains to support the EU law enforcement community, to disrupt and dismantle serious organised crime and terrorist groups. The law enforcement community as a whole needs to continue innovating tools, tactics and policies to keep pace with global developments and stay ahead of the criminals.

In view of the ever-increasing sophistication of criminal activity, local or even national efforts to tackle international organised crime and terrorism alone can only enjoy limited success. However, together with EU Member States and partner organisations, Europol can play an increasingly prominent role in safeguarding EU internal security.

A stronger Europol means more successful investigations and better protection for EU citizens against the threats of serious international crime and terrorism.

ANNEX: NUMBER OF LAW ENFORCEMENT AGENTS EMPLOYED IN EU MEMBER STATES

