24 gennaio 2017 Modulo Jean Monnet III ed. Università di Catania conferenza su *Nuove Competenze per Nuove Sfide: politiche nazionali ed europee per la lotta alla Criminalità Organizzata*

MAFIE IN EUROPA E NON SOLO: LE INFILTRAZIONI DELLA CRIMINALITA' ORGANIZZATA NELL'ECONOMIA LEGITTIMA

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Questa presentazione

Suggerisce politiche innovative e risposte istituzionali efficaci ai cambiamenti in atto nelle strutture ed attività delle organizzazioni criminali in Europa…e fuori

- ✓ I traguardi dell'European Security Agenda e dell'agenda per lo sviluppo sostenibile 2030 delle Nazioni Unite*. In ambedue i casi emerge la necessità di intervenire sulla produzione di ricchezze illegali
- ✓ Le dinamiche transnazionali delle O.C. in Europa: ricchezze prodotte, e gli investimenti nell'economia legittima
- ✓ Le nuove priorità: le infiltrazioni criminali nell'economia legittima
- ✓ Il contributo della ricerca allo sviluppo di politiche innovative ed al miglioramento delle capacità investigative:
- ✓ Dalle mappe fredde alle mappe «calde» di rischio

*target 16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

:

Estimates of illicit markets in Europe
Illicit revenues per year – billion euro

Illicit market	7 OCP countries	Whole EU
Heroin	5.7	8.0
Cocaine	5.3	6.8
Cannabis	*5.4*	*6.7*
Amphetamines	*1.6*	*2.8*
Ecstasy	*2.2*	*3.5*
ITTP	5.2	9.4
Counterfeiting	21.6	42.7
ITF	-	0.4
MTIC frauds	16.9	29.3
Cargo theft	*0.36*	*0.42*
TOTAL	**64.2**	**109.9**

Source: Transcrime-OCP estimates. In *italics* estimates by other authors.

Drivers behind criminal investments

- Laundering of criminal proceeds

- Cleaning criminal reputation

- Control of the territory

- Infiltration into the political/administrative sphere

- Social consensus (e.g. jobs offers)

- Cultural reasons

- Facilitating criminal activities (e.g. food trade to cover drug trafficking; oil companies to commit VAT fraud)

Geography of criminal investments

- Most EU member states are interested by criminal investments

- Regions with the highest evidence of investments:

- - Southern Italy

- - North-western Italy (especially Lombardy)

- - Southern Spain (especially Andalusia)

- - Provence-Alpes-Côte d'Azur

- - Large urban areas (Madrid, London, Paris, Berlin)

- - Border areas and transit ports

Geography of criminal investments

Evidence of OC investments
(NUTS 2 level)
 % on country total

Legend

OCP Countries	Non-OCP Countries
Very Low	Very Low
Low	Low
Medium	Medium
High	High
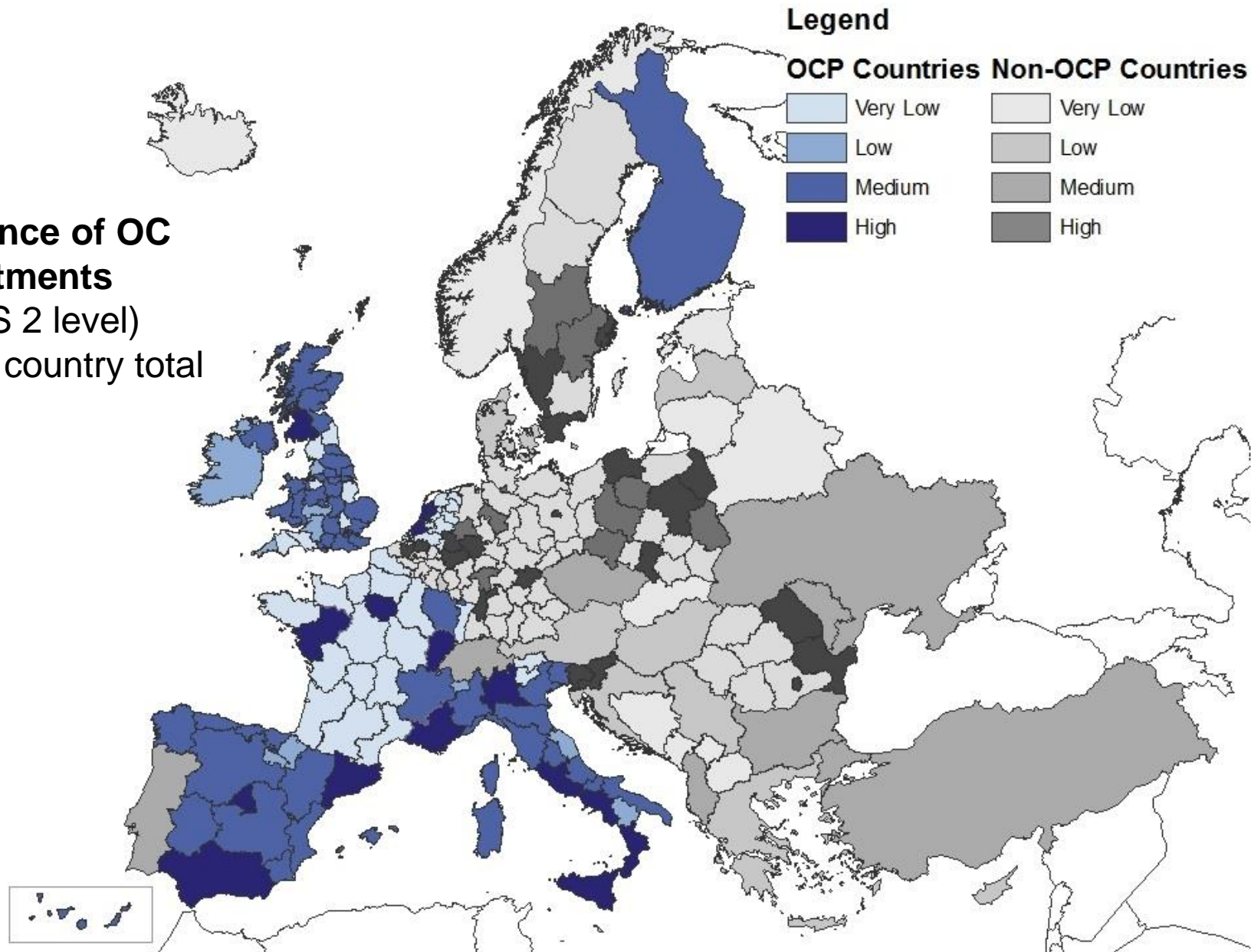
Business sectors with evidence of criminal investments

HIGH evidence	• Bars and restaurants • Construction • Wholesale and retail trade (in particular of food products and clothing) • Transportation and logistics
MEDIUM evidence	• Hotels • Real estate activities
EMERGING sectors	• Renewable energy • Casinos, VLT, slot machines • Money transfer agencies • Waste and scrap management • Agriculture and food companies

Source: Project OCP (www.ocportfolio.eu)

A plurality of criminal actors

- Italian mafias
-      - 'Ndrangheta
-      - Camorra
-      - Cosa Nostra
- Chinese OCGs
- Russian/Georgian OCGs
- Outlaw Motorcycle gangs
- Former terrorist and paramilitary groups
- Smaller OCGs
- 'Free-lance' entrepreneurs and brokers
- Emerging 'Joint-ventures' among different OCGs to manage legitimate businesses

Italian Mafias investments in Europe

Source: Project OCP (www.ocportfolio.eu)

Russian/Georgians, Chinese OCGs, motorcycle gangs investments
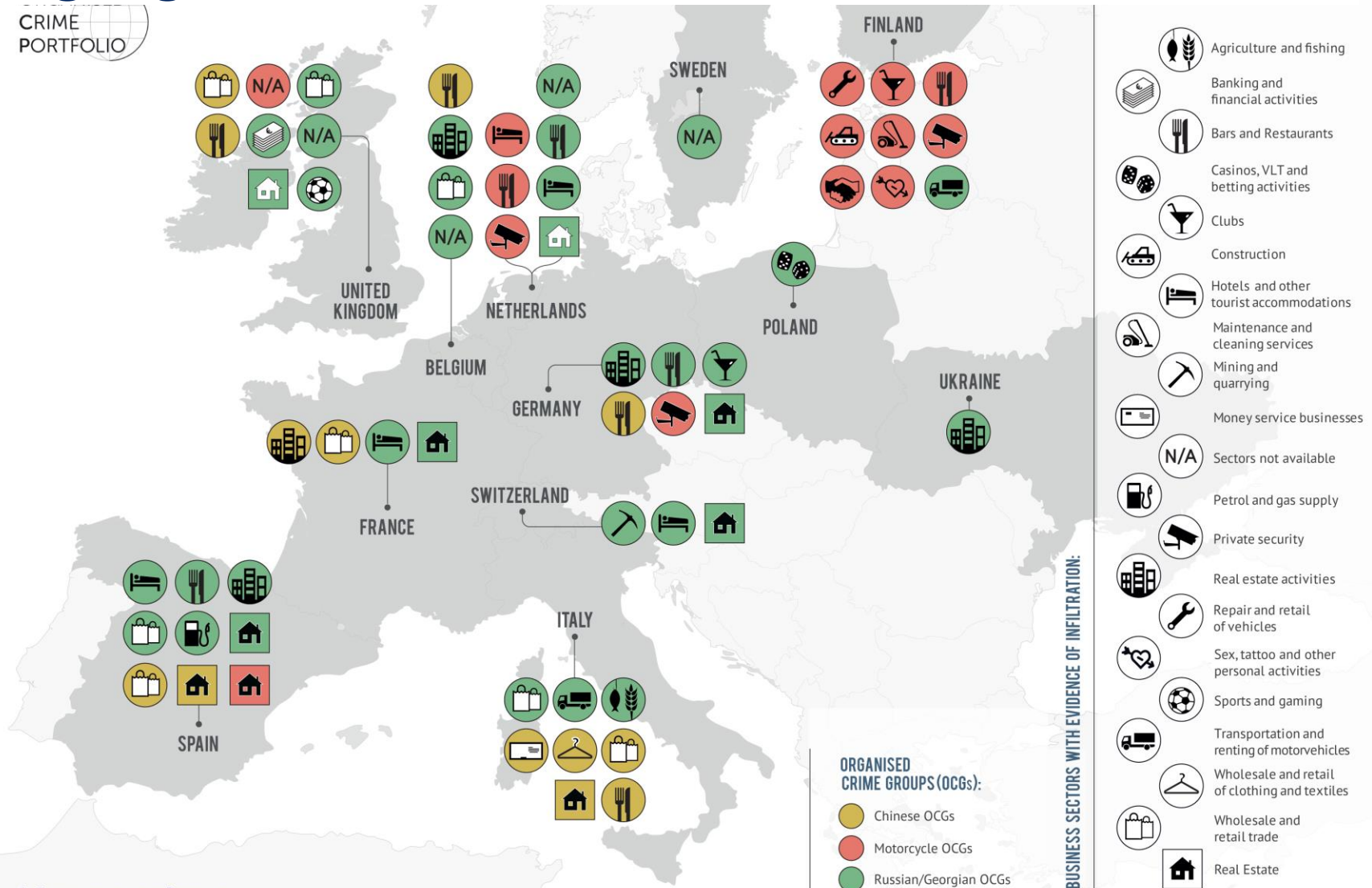
Source: Project OCP (www.ocportfolio.eu)

Other criminal groups investments in Europe

Source: Project OCP (www.ocportfolio.eu)

A plurality of criminal actors

- Italian mafias
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Infiltrated businesses

- Preference for **Private limited companies**
- Easy to incorporate and manage and to minimise the damage of seizure and confiscation
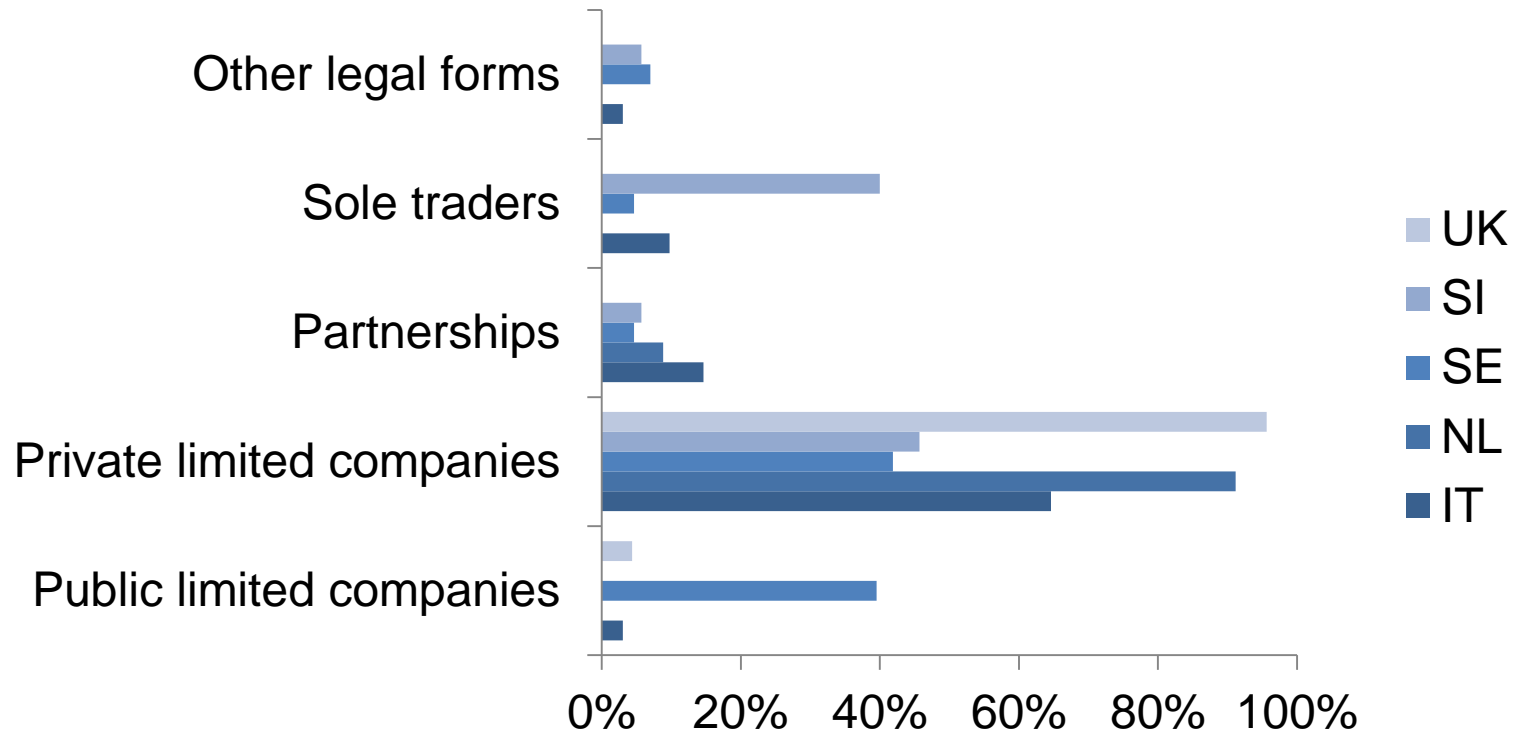
Source: Project ARIEL (www.arielproject.eu)
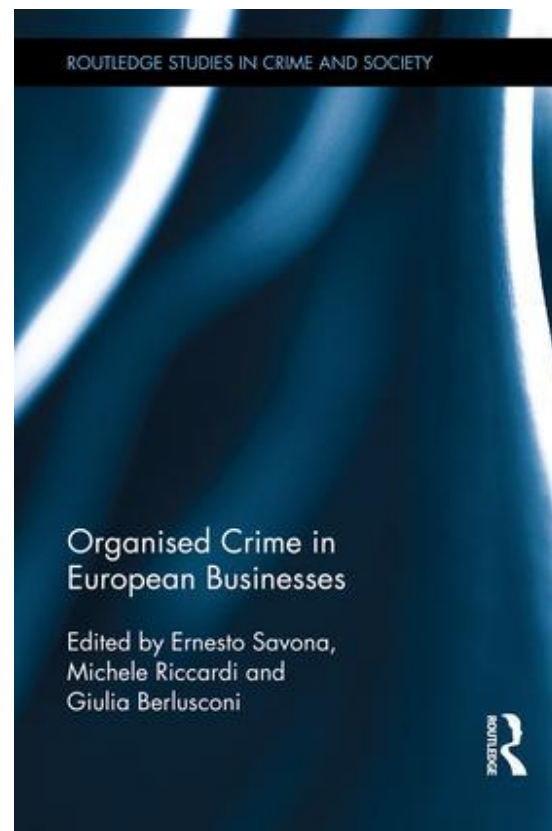
OC infiltration in legitimate businesses

- Emerging research topic

- National and European research projects by Transcrime

- Routledge book

  Organised crime in European businesses

ROUTLEDGE STUDIES IN CRIME AND SOCIETY

Organised Crime in European Businesses

Edited by Ernesto Savona, Michele Riccardi and Giulia Berlusconi

ROUTLEDGE

From *cold* to *heat* maps of risk

Project MORE

- **MORE – Modelling and mapping the risk of SOC infiltration in legitimate businesses across EU territories and sectors**

- **Co-funding:** EU Commission, DG Home Affairs

- **Duration:** until Dec 2017

- **Partners:**
  - UCSC – Transcrime, *Coordinator* (Italy)
  - SWP – Stiftung Wissenschaft und Politik (Germany)
  - BRA – Swedish National Council for Crime Prevention (Sweden)

- **Associate partners:**
  - Europol (Netherlands)
  - BKA – Bundeskriminalamt (Germany)
  - Ministero dell'Interno (Italy)

- **National contact points**

Project MORE activities

Collecting data and case studies in EU 28

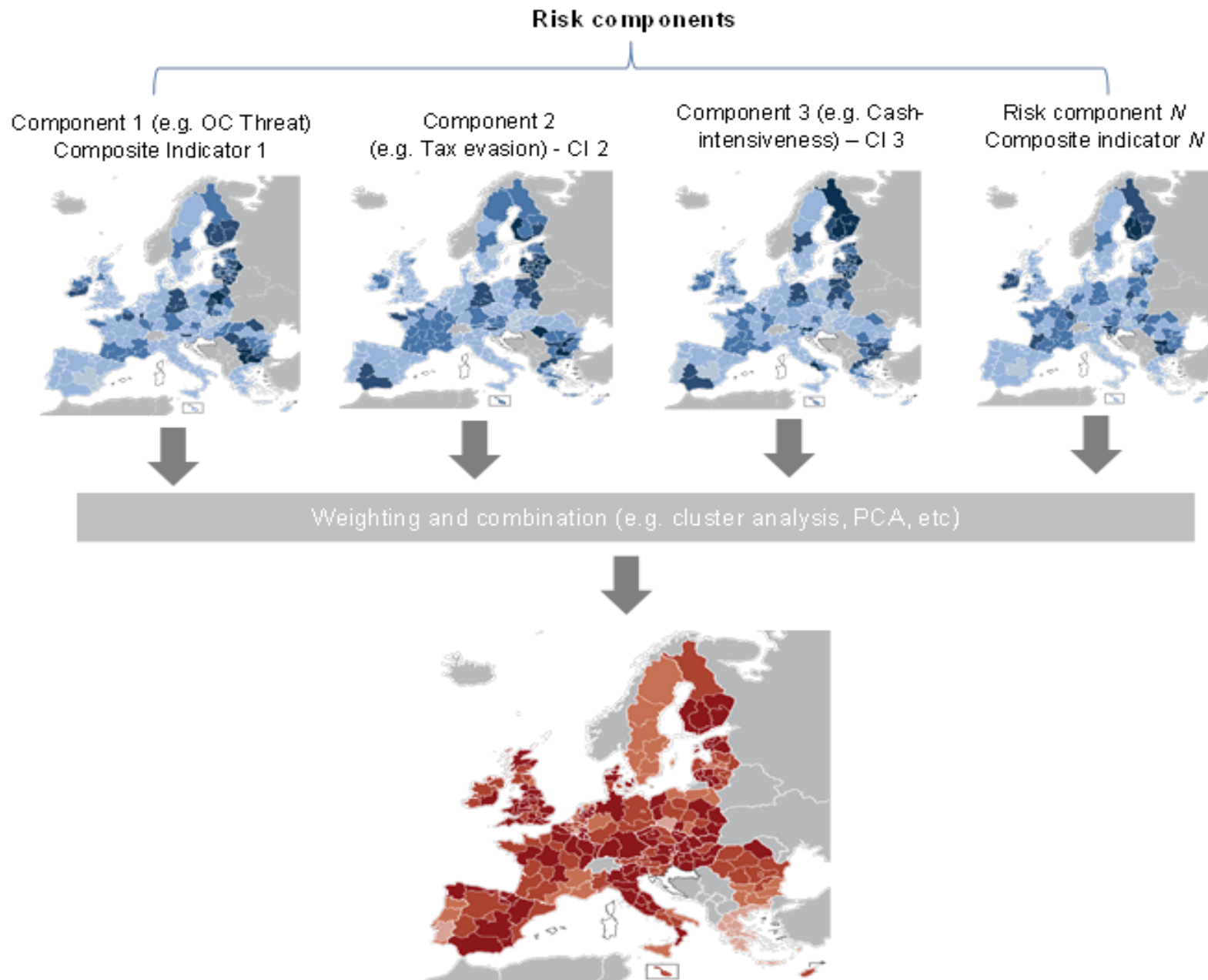**Analysing data and case studies**
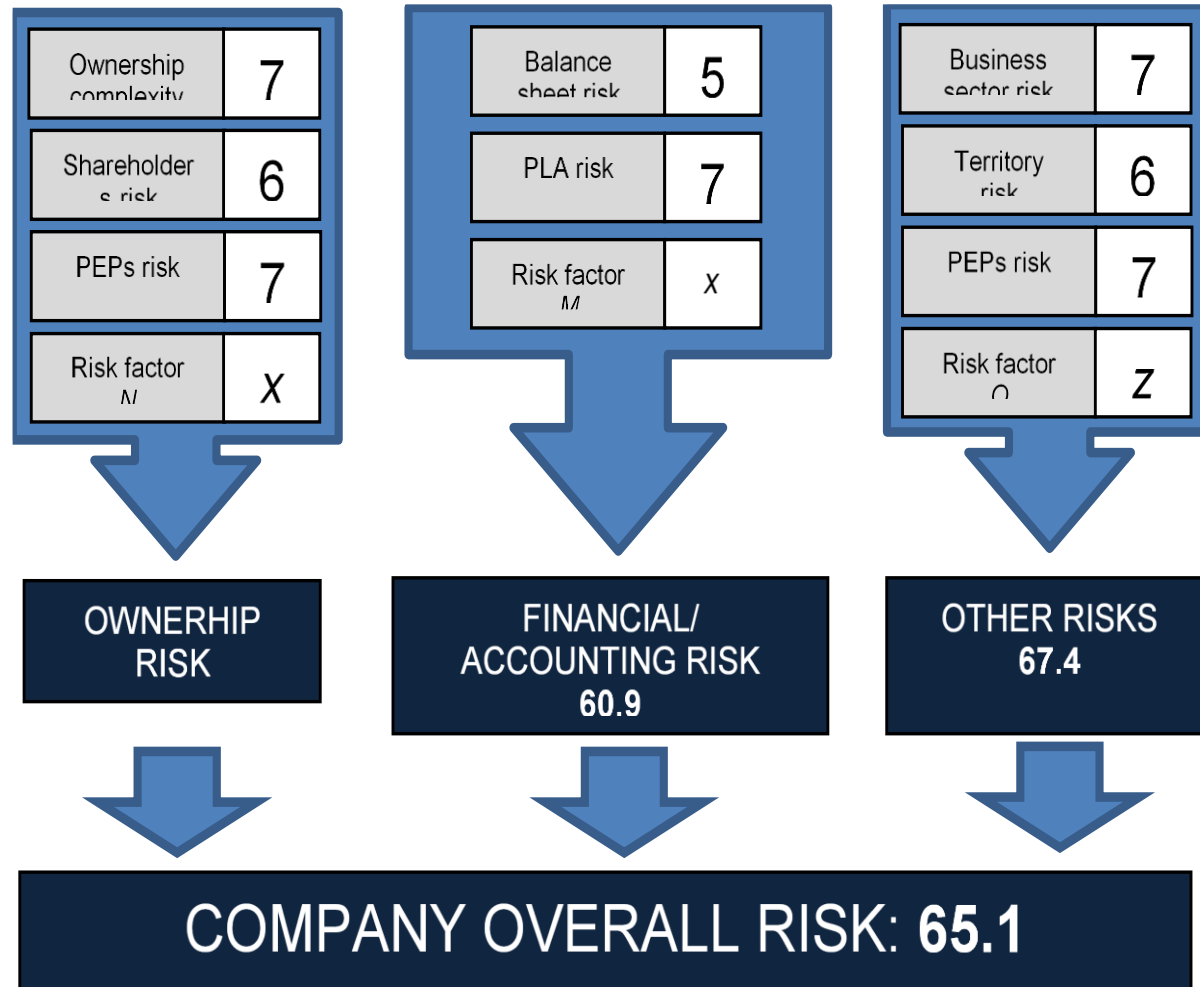
Developing risk assessment model (RAM)

Assessing the risk of what?

- of territories

- of business sectors

- of transactions

- of procedures (e.g. public procurements)

- of actors (e.g. private businesses)

Macro risks by territories

Risk factors at company level

Ownership complexity	7
Shareholders risk	6
PEPs risk	7
Risk factor N	x

Balance sheet risk	5
PLA risk	7
Risk factor M	x

Business sector risk	7
Territory risk	6
PEPs risk	7
Risk factor O	z

OWNERHIP RISK

FINANCIAL/ ACCOUNTING RISK 60.9

OTHER RISKS 67.4

COMPANY OVERALL RISK: 65.1

MORE: Data and info we are collecting

Case-studies

1. Judicial files
2. Police files
3. Relevant contacts (e.g. prosecutors)

Blacklists/ Watchlists of businesses

1. Corruption blacklists
2. Banned companies
3. Seized/Confiscated companies

Institutional reports & open sources

1. OC reports
2. ML reports
3. Media reports

Micro risks by companies

At the **micro level**, a portfolio of **red-flags** and **predictors** as well as related **risk-algorithms** are produced. These micro risk factors focus on companies infiltrated in order to enable LEA's to recognize them

The red-flags will allow attributing, to a certain company an overall risk score resulting from the weighted combination of the scores for each risk factor that was identified and tested. The risk-algorithm is conceptualised and designed relying also on predictive modelling in anti-fraud projects *The obtained set of rules and indicators will be incorporated in the toolkits and in particular will serve as the basic structure of the toolkit for LEAs.*
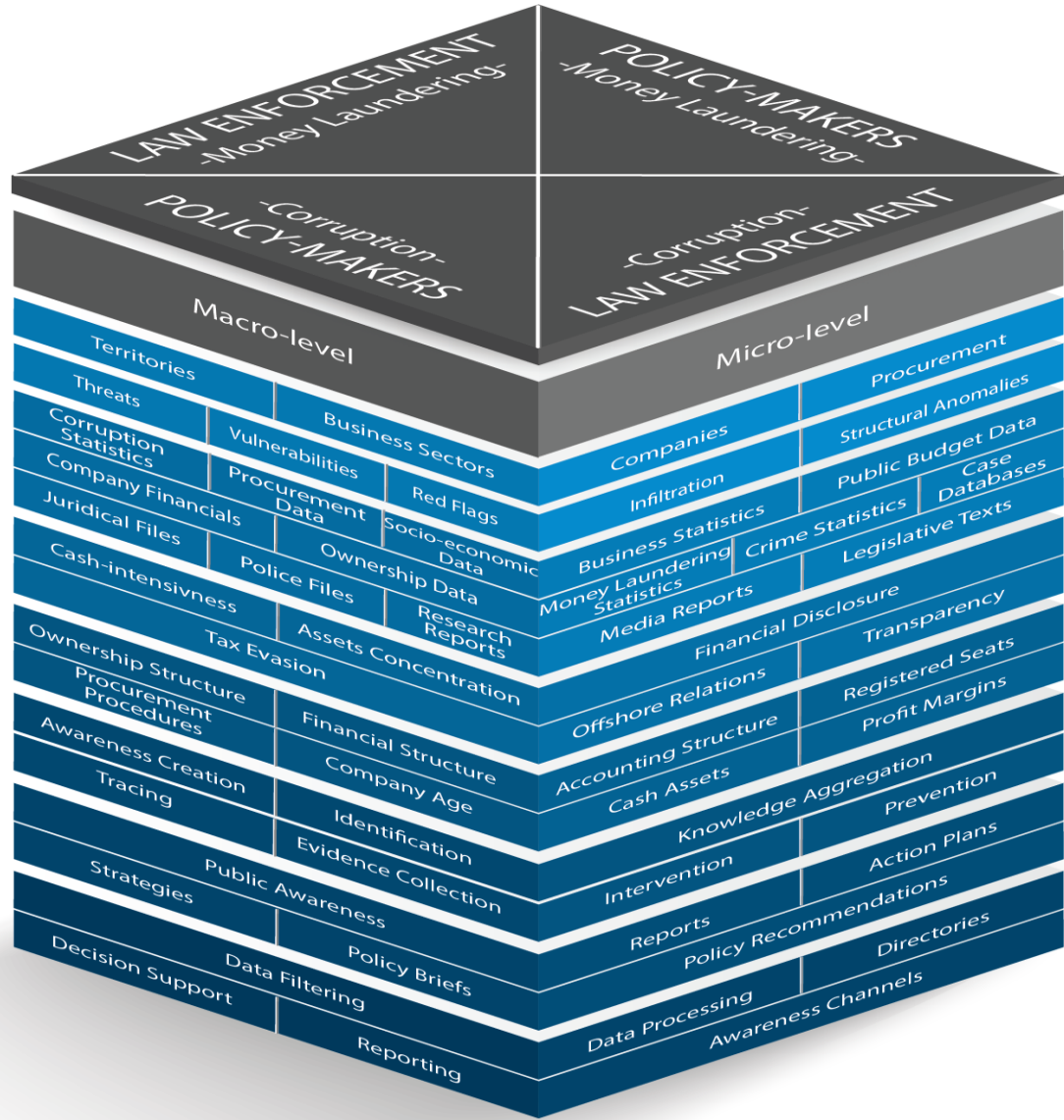
Policy implications

- Moving from cold maps (showing how many OCGs are present and/or how do they invest their money and where) to hot maps, that outline the risks of OC infiltration, means four main contributions:

- 1.Developing a methodology to assess the most relevant risks for the economy of European MS;

- 2.Improving the quality of data collected;

- 3.Providing policy makers with suggestions to develop focused and targeted preventive policies;

- 4. Providing LEAs with instruments for a better understanding of the phenomenon of infiltration, helping them to develop tactical intelligence in recognizing sentinel crimes, and connecting these crimes to the process of infiltration.

- How?

Policy implications

- These toolkits will also represent a ground-breaking instrument at the disposal of policy-makers to **identify the risk areas** in order to have evidence for where to intervene with **more effective evidence-based policies**.

- The toolkits will provide policy-makers an **immediate picture (e.g. through interactive maps) of the territories** at higher vulnerability (e.g. because of higher cash-intensiveness or higher number of shareholders from risky countries) and threat (e.g. because of higher levels of OC or of tax crimes). Furthermore, they will get a **mapping (for example by using intuitive and interactive charts) of the business sectors** at higher threat and vulnerability.

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Policy implications

- They will also be equipped with a system to create **clusters of territories and economic sectors with similar characteristics**. This will help policy-makers to identify other competent authorities (in other territories and settings) with similar problems and with which to strengthen cooperation and the exchange of best practices.

- These stakeholders will also receive information about the **risk trends across territories and sectors**, in order to monitor the development of OC infiltration across time. A system of **early warning** will **signal anomalies** with respect to certain risk factors and reports and **policy-briefs including best practices** adopted in other contexts will help them to address certain risk-factors and anomalies. Through the toolkits, policy makers will be also able to **accessing new enlarged datasets** which will increase their knowledge of complex phenomena such as organised crime, money laundering and corruption.

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