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(CDPC)

Group of specialists on criminal law and criminological aspects of organised crime
(PC-S-CO)

Report on the Organised Crime Situation in Council of Europe Member States - 1999

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CHAPTER I

Introduction

The Group of experts on criminological and criminal law aspects of organised crime (PC-S-CO) was set up by a decision of the Committee of Ministers of the Council of Europe. This group took over the activities that were carried out between 1997 and 1999 by the Committee of experts on criminological and criminal law aspects of organised crime (PC-CO). The purpose of the group is to analyse, under the authority of the European Committee on Crime Problems (CDPC), the characteristics of organised crime in the member States of the Council of Europe, to assess the counter-measures adopted (including legislation) and to identify means of improving the effectiveness of both national responses and international co-operation in this respect.

The member States received in March 2000 a questionnaire concerning the situation in 1999. This questionnaire contains to a large extent the same questions as the questionnaires related to the years 1996 to 1998. This was done to obtain as much comparable data as possible. The questionnaire was divided into the following seven parts: I. Introduction, II. Criteria for identifying organised crime groups, III. Organised crime situation, IV. Statistics on specific topics, V. Methodology, VI. Data of the persons(s) providing the answers.

35 of the member States have replied (see Appendix I). The group is grateful to all people who contributed to the national reports. No replies were received from Albania, Croatia, Austria, France, Portugal and San Marino. As in previous years some replies were only partially used for the analysis of the organised situation, because they did not provide information on all subjects. All replies received from member States were used for the compilation of this report. In addition, other sources were used to a limited extent (see the references in Appendix V).

The following list of criteria of organised crime was used by member States to prepare their replies to the questionnaire. In addition to the minimum characteristics (“mandatory criteria” numbered 1 to 4, at least two of the other characteristics (“optional criteria”) needed to be present for any crime or criminal group to be classified as organised crime. The questionnaire concentrated on groups that meet six or more of these eleven criteria. This can refer to traditional criminal groups but also to legal entities or professionals engaged in serious forms of organisational or white-collar crime.

Mandatory criteria:

I.	Collaboration of three or more people
II.	For a prolonged or indefinite period of time
III.	Suspected or convicted of committing serious criminal offences
IV.	With the objective of pursuing profit and/or power

Optional criteria:

I. Having a specific task or role for each participant
II. Using some form of internal discipline and control
III. Using violence or other means suitable for intimidation
IV. Exerting influence on politics, the media, public administration, law enforcement, the administration of justice or the economy by corruption or any other means
V. Using commercial or business-like structures
VI. Engaged in money laundering
VII. Operating on an international level.

CHAPTER II – Organised crime situation

Section 1 - Characteristics of groups involved in organised crime

1.1 Structure of the groups

Some answers indicate that the structure of known organised criminal groups may vary from complex and permanent hierarchical to more or less permanent horizontally structured networks or project groups. Previously, and in some of the more extensive country reports, the structure of organised criminal groups is understood in a threefold fashion, apparently reflecting both differences in real structures and differences of understanding, or paradigm. One approach stresses the degree of hierarchy in the structure; a second one represents a tendency of rather seeing criminal groups structured in a horizontal manner that also is connected with more flexible and less permanent structures than understood in the hierarchical view. A third category, finally, refers to groups operating in loosely knitted networks of individuals, where criminal operations are typically developed and carried out on a 'project' basis.

One discussion matter taken up in some country replies actually questions whether other criminal structures except those with a multi-level vertical organisation should at all be included the present report. However, as for instance stated in the Czech report, also groups with a lower level have been dealt with, as 'this has been the practice in Europe'.

For hierarchical structures, reference is also often made to 'Mafia type organisations'. Here, different levels of organisation can be recognised, in most cases three or four (typically, reference is made to top, middle, and bottom levels). The top level consists of leaders, supported by a network of specialists with advisory functions. Such support functions also include bodyguards and certain executive roles, giving instructions to and supervising members of lower levels of the hierarchy. The middle level is responsible, with a certain degree of autonomy, to carry out single offences or criminal projects. The concrete commission of criminal offences is to be found at the bottom level of the organisation. Membership at this level is bound to be fluid, or variable, according to current needs of the group, opportunities, and the current situation.

Considering the second approach, emphasising the horizontal aspects of criminal organisations, here centralised leadership is understood to be lacking or weak, indicating that links between 'middle level' operators of course do exist but are not co-ordinated and controlled by top level actors, organisers and financiers. Middle level operators would, under all circumstances be possible to be identified; in this view, however, they would more accurately be denominated as group or even project leaders.

In the third perspective, even the group leaders may exchange roles with other group members, according to the needs coming up in the context of each criminal project. Then, the subdivision into 'leaders' and 'bottom level' participants emerges on an ad hoc basis, each time depending on the situation, abilities, strengths and weaknesses of each group member.

As for the country reports, some reflect a quite definite 'Mafia' paradigm; others tend to see criminal structures as being rather less permanent and less interconnected. There may be a relevant geographical dimension to this difference in understanding and defining organised criminal groups to the effect that the Italian report and those of many countries in the Eastern parts of Europe are rather in favour of a hierarchical view, whereas traces of the horizontal and the project alternatives are mostly found in replies from Western European countries.

The matter grows more complex as many replies explain that the nature and degree of organisation of criminal groups often differs across sectors in which the groups are involved. Often, for example, narcotics offences are described to take place in a different organisational setting than car thefts, or organised prostitution. The country reports are, however, too heterogeneous to allow for a systematic analysis of such matters. This aspect is also connected with the overall volume of organised criminal activities as well as with the balance between different types or categories of criminal organisations in the country.

A further relevant feature has to do with whether the groups only (or mainly) operate in their own country or whether they also have important cross-border activities and/or co-operation. In this report, this aspect is dealt together with the topic of characteristics of organised criminal groups as it is also related to some of the characteristics given above.

1.2 Geographical grouping

A regional breakdown of the member countries is essential for the general descriptions of organised crime structures. This is because the geographic context where organised criminal groups operate often has a direct influence on what kinds of crime opportunities are available and on how these may be exploited. The grouping proposed below is purely geographic. This is not intended to imply that the countries placed into a certain group would necessarily have anything in common except for their geographical environment that in many cases will influence or explain some features of their organised crime situation. The grouping is as follows (the names given to the groups are only chosen for practical purposes of distinction):

Scandinavia/Nordic countries:	Denmark, Finland, Iceland, Norway and Sweden
Northwest Europe:	Belgium, Ireland, Luxembourg, Netherlands and United Kingdom (incl. England, Northern Ireland, Scotland and Wales)
Southwest Europe:	Andorra, France, Italy, Malta, Portugal, San Marino and Spain

Central Western Europe:	Austria, Germany, Liechtenstein and Switzerland
Central Eastern Europe:	Czech republic, Hungary, Poland, Slovakia and Slovenia
South-eastern Europe:	Albania, Bulgaria, Croatia, Cyprus, Greece, 'the former Yugoslav Republic of Macedonia' and Turkey
Eastern Europe:	Georgia, Moldova, Romania, Russian Federation and Ukraine
The Baltic countries:	Estonia, Latvia and Lithuania.

Scandinavia/Nordic countries: Denmark, Finland, Iceland, Norway and Sweden

In the Scandinavian countries, organised crime is described in rather vague terms, reflecting a low level of information about the phenomenon, together with a low level of organised crime in the region, and a lack of hierarchical or large co-ordinated criminal structures. Thus, criminal groupings are described as being mainly organised as relatively small and separate groups where, however, the central persons seem to be well connected to networks in large parts of the country and often abroad. These contacts are believed mainly to include criminals in other European countries, not so many from outside of Europe (Norway), mostly concerning drugs crime. The form of co-operation often has the form of a loosely knit structure on an ad hoc basis. The groups are mostly composed of nationals; foreigners typically found to act as couriers into the country. Foreign contacts are indicated to include both European countries and countries outside of Europe (Iceland), networks between criminal individuals, with stability over time, and specific groups originating from the networks, organised for the commission of jointly committing a crime. Activities are described as also comprising other European countries as well as countries outside of Europe (Sweden). Criminal groups are described as comprising 5-6 core members and 9-10 other members, with no co-ordination or between groups. Out of 27 identified groups, 13 had domestic members only, while in ten groups two nationalities were represented, and in four groups, more than two. Three of the identified (domestic) groups were biker groups. Among the foreign actors participating in the groups observed, nationals from the neighbour countries dominate: Estonians (9 groups), Russians (4 groups), and Swedes (2 groups). The majority of the groups operate across the country borders, the main activity being smuggling (narcotics, alcohol, cigarettes) into the country, and exporting stolen property to the Eastern neighbours, the Russian Federation in particular (Finland).

Groups of citizens are involved in narcotics crime, co-operating with foreign groups. Also, groups smuggling cigarettes are known. Not much more is reported about these groups. The criminal groups known in more detail are biker groups and street gangs. The biker culture is dominated by two groups; at a Scandinavian level, these were involved in a particularly violent internal conflict in 1994-1997, probably related to rights to areas of crime. Hell's Angels counted 7 chapters (109 members), Bandidos 11 chapters (111 members). Street gangs are profit-oriented, and some of them therefore establish co-operative contacts with biker circles in larger towns. 33 gang are identified, with 400-500 'core members'. The street gangs have an over-representation of young men of foreign background. Foreign contacts are noted in smuggling operations. The countries of

origin mentioned typically reflect usual source countries of contraband commodities - Albanians and heroin, Poles and narcotics as well as car thefts, Russians and exporting stolen goods to the Russian Federation, Lithuanians and cigarettes, Turks and narcotics crime, people from various EU countries and VAT frauds. Also non-European contacts are observed: child pornography and the Far East, Moroccans and cannabis, North Americans as connections to biker groups, and South Americans and cocaine. Of the neighbour countries, Germany is given as the transit country for heroin, while the Netherlands and Belgium are supplying amphetamines and ecstasy, and Spain, France, Belgium, the Netherlands and Germany are mentioned in connection with cannabis. Further, stolen vehicles are often taken abroad to Poland, Germany, and the Russian Federation (Denmark).

Affluent countries that are rather in the geographical margin of the European crime scene, the Nordic countries have also gained relatively little experience of modern trans-national or cross-border organised crime phenomena until quite recent years. The expansion of the narcotics markets has introduced some new organised activities in the region as of the 1970s, with Denmark in the lead as it has been most easily accessible from the south. Sweden, being the most affluent and largest of the Nordic countries, also developed a significant market, Norway following suit. In Finland, the situation only has begun to deteriorate in the 1990s, when new routes to the country were opened from the east (Russian Federation) and the south (Estonia). The Scandinavian countries are also sometimes used as transit countries en route to the larger European markets from the Far East. Overall, the region is familiar with many types and forms of organised criminal groups but the volume of these continues to be small or moderate, and their structure is usually not very permanent and not hierarchical (Johansen 1994). Illustrative of this, motorcycle gangs are understood in all of these countries at times as a high-priority organised crime problem.

Northwest Europe: Belgium, Ireland, Luxembourg, Netherlands and United Kingdom (incl. England, Northern Ireland, Scotland and Wales)

The Netherlands provided an up-to-date extensive analytic report of the organised crime situation, made for the European Union. This report does touch upon most of the topics of the Council of Europe questionnaire, albeit applying EU criteria of organised crime. This report discusses the alternatives of hierarchical, vertical organisation and of the horizontally organised, 'flat' group, pointing out that the group structure is often observed as being connected with the types of crime the group is involved in. At this point, however, the report admits that there is not sufficient information to follow through these distinctions systematically.

The statistical unit applied in the report of the Netherlands is 'investigation' rather than 'criminal group'. The report describes 118 'investigations', stating that the majority of the groups that feature in these have a hierarchical structure. Most of the groups (42) have a single leader, and there are two or three leaders in 34 groups. Additionally, it is stated that 13 investigations revealed that the groups had no leader, while six of the investigations showed that there were more than three leaders to the group. This implies that criteria for leadership in this description

are not clear - also, 23 investigations provided no information about possible leaders. This also means that 'investigation' indeed is a rather different unit than 'group', for instance in the sense that 'investigation' may be quite correctly focusing on a suspected 'group' but the information retrieved is too thin to allow for more accurate descriptions of the 'group' under surveillance.

Three-quarters of the groups have a fixed division of responsibilities, and over three-quarters of the groups observed have a structure that is more horizontal than vertical (this is an important observation: no group is likely to be strictly one or the other, if the vertical-horizontal distinction is considered. Also, a new feature of 'group' is introduced here: the principal suspects who form part of the criminal group have generally known one another for more than three years.

The ethnic composition is discussed to some extent. Some the investigations (or 27 %) have no information about this matter, and in seven investigations, there was only one 'principal' suspect. Only 79 investigations may therefore be analysed for the ethnic composition of the groups. Half of the suspects come from the Netherlands, 11 % are of Turkish origin, 6 % of Moroccan origin, and 5 % of Surinamese origin.

All the principal suspects are Dutch in 23 investigations (29 %). These all-Dutch groups are mostly involved in drug trafficking, money laundering, fraud and falsification. In 13 investigations (16 %), the country of origin of all the principal suspects is outside the Netherlands. These foreign groups are principally involved in trafficking/smuggling people and/or drugs. Of those investigations where Dutch and foreign principal suspects were observed together, trafficking in hard drugs was in a central role. Fraud was the other principal activity where heterogeneous criminal groups were typically engaged in.

The report of the Netherlands distinguishes between five particular - common - constellations of structure and criminal orientation: drugs, immigrant smuggling (and trafficking in human beings), motor vehicle crime, fraud, and falsification. In each of these, specific features are found. Drugs are the most variable sector, here they find three types of criminal groups: those dealing in both hard and soft drugs, and those trafficking only in one or the other. Regardless of this, criminal groups involved in drugs are generally said to have a clear leadership structure, the majority having one or two leaders.

Groups that deal in hard drugs only are less likely to have a hierarchical structure than other groups. On the topic of horizontal or vertical organisation, it is found that groups dealing with soft drugs only are more likely to be vertically organised, whereas groups dealing in hard drugs are for the most part organised in a horizontal fashion. Groups that deal in both hard and soft drugs are representing both models in roughly equal numbers.

Groups involved in immigrant smuggling usually have a hierarchical structure; however, the report observes that there may be a radical change emerging at this point since recently, there are equally many horizontally structured as vertically structured groups in this activity. The division of responsibilities within these groups is usually fixed. Horizontally structured groups are observed

as being more probably connected also with other criminal activities, trafficking in hard drugs being mentioned as the example.

Hierarchical groups, who are mostly vertically organised, carry out motor vehicle crimes. Often there is a leader, the other members being for the most part specialists with specific tasks.

Fraud-related groups are often organised horizontally, with one or two leaders, members having regular contact with one another. Over half are said to have a hierarchical structure, and the members are largely specialised to their appointed tasks.

Groups engaged in falsification are organised horizontally or vertically in roughly equal shares. The majority has a hierarchical structure, with one or two leaders, and members with special skills and, accordingly, specific tasks.

Luxembourg observes a number of foreign organised criminal groups in their territory. The most influence is reported from the part of Belgian groups (Brussels and Charleroi), and refugees from the former Yugoslavia regions of Montenegro and Kosovo. The criminal operations include organised thefts of cars and other property (groups from Brussels dominating), VAT frauds where Nordic countries as well as Southern neighbours are implicated. Apart from these, also Russian and ex-Soviet nationals, ex-Yugoslavians, and Chinese groups are particularly noted. All organised groups are understood as being resident in the neighbouring countries. Estimates on the number of groups or their members are not given.

In 1999, the UK was aware of 965 organised criminal groups, with 7050 members. Most of these groups were said to operate in a hierarchical manner. Among the groups, some were understood to operate in a network structure; however there was no information as to how frequently this was the case. The number of members of the groups mostly remained below 10: over 885 (92 %) had between 3 and 9 principal members. This report also makes a distinction between principal and peripheral members; however this interesting feature is not elaborated in detail. The groups were mainly composed of UK nationals (791, or 82 %), but foreign nationals were identified as members of 589 (61 %) criminal groups.

A quite different picture is described by Ireland, assessing the structure of their organised criminal groups as falling into two categories. The first consists of about twelve (a dozen) major groups, well established, tightly structured, involved in drug trafficking, armed robbery, and computer components (to a lesser extent). These groups form the most significant element of Irish organised crime and almost all of them are based in the Dublin area. They are also having connections to foreign, both European and non-European criminal structures.

The second category comprises groups, which are characterised by less cohesive group structures and criminal activities that are often confined within Ireland. On average, organised crime groups contained six persons (ranging from 3 to 18). However, the membership of many of the less

significant groups is quite fluid because of their relatively weak group structures and opportunistic approach to crime.

The Netherlands and the United Kingdom represent a relatively advanced approach to organised crime, with a rather long experience of the phenomenon and of investigations related to it. In contrast, Ireland as a country in the European margin, with a problem profile that rather resembles other marginal countries (such as Finland, Iceland, Portugal) than the one of its British neighbour. Luxembourg, then, represents again a different profile, representing at one hand an interesting country for money laundering and VAT frauds, and a transit country for car theft on the other hand. These observations underline that the similarities and differences between countries are not just functions of the geographical 'neighbourhood'. A country is likely to be attractive for VAT fraud and money laundering because of its legislation and its administrative traditions rather than its geographical location. Still it is exactly the geographical location that plays a central role in some other organised criminal activities, such as serving as a transit country in the trafficking in stolen cars.

Southwest Europe: Andorra, France, Italy, Malta, Portugal, San Marino and Spain

In the reply of Spain, a total of 209 groups with an estimated total of 6,623 members are analysed, being categorised into groups with a high level of organisation (35), a middle-range level of organisation (56), and a low level of organisation (118). The groups are subdivided further into those with a large (100+), a medium (25-49), and a low (10-24) number of members; then, they are also separated according to whether they have only national or also international activities. Eight large groups with international activities are identified. Overall, 149 of the groups, belonging to all three size-categories, had international dimensions, the remaining 60 having only national or local level activities. Quite a few (43) of the Spanish groups were observed to have co-operation or connections with other organised criminal groups, 6 with Spanish groups, 37 with foreign groups - mainly Italian (8), other EU countries (6), Moroccans (13), or Colombians (10). The activities of groups extend to about 30 countries - all EU countries, and some 15 others.

Andorra, then, neighbouring to Spain, reports that almost all the organised criminal groups observed have a horizontal structure. No co-operation between groups in the same country is found, but co-operation with foreign groups does exist. Group leaders as well as members come from Spain, South America, and the United Kingdom. People involved in the narcotics business are mostly Spanish, Portuguese, and Andorran. Money laundering groups are not domestic but transient, mostly with members of foreign origin. They use the Andorran system for laundering foreign drug money and proceeds of other crimes. The number of participants is below 10 in the money laundering business, and between 11 and 50 in drug-related groups. The total number of active group members is estimated at 11-50.

San Marino states that there are no elements leading to believe that criminal organisations exist on their territory.

In the Italian reply for 1999, as in their previous replies, a detailed analysis of established Italian organised criminal groups is given. The Cosa Nostra, Camorra, ´Ndrangheta, and the Apulian groups are assessed by the number in each tradition as well as the volume of their group membership. The Cosa Nostra is the only tradition described as a hierarchical organisation, while the three others are organised in a horizontal fashion. Each of the four traditions dominates in their own territory in Southern Italy. The number of groups is estimated at 180, with 6000 members for the Cosa Nostra, at 173 with 9000 members for the Camorra, at 151 with 5225 members for the ´Ndrangheta, and at 52 with 2171 members for the Apulian groups. The groups have extensive co-operation, in different constellations, with foreign organised criminal groups in both European and non-European countries.

Malta states that it has no locally based organised crime in the meaning of the Council of Europe questionnaire. Observations have been made, however, of persons in Malta who seem to be involved in organised crime based outside of Malta. The crimes typically implied here are narcotics business and money laundering. No organised crime groups in the strict sense are identified in Malta. Using more flexible criteria, the structure of existing groups is said to be mostly hierarchical, they operate on a national level, with members of the same age, or occasionally pertaining to the same family and also to the same ethnic background. The usual age range is 18-45 years. The countries of origin of group members are Bulgaria, Libya, Tunisia and Egypt (i.e. those neighbours that are closest to Malta). The number of groups is very low, the total number of participants is not known.

In this group of countries, we may once more observe the decisive role played by geographical circumstances. Andorra, not quite unlike Luxembourg, reports being a transit country on one hand, and a base for organised money laundering on the other. Malta, another geographically peripheral country, also displays similar features. In contrast to these small countries, Italy and Spain have a large-scale experience of organised criminal groups. Both have, however, a different organised crime scene in particular with regard to drug trafficking. Spain is more connected with Hispanic overseas markets on one hand and with its immediate neighbour (Morocco) on the other. Italy has widespread connections with organised criminal groups in a more diverse selection of countries together with a situation where several local domestic strongholds of organised criminal groups are identified. The present evidence does indeed suggest that Italy continues to be the most significant European country when organised criminal groups are concerned, and in particular if hierarchically structured permanent groups with trans-border and overseas connections and influences are concerned.

Central Western Europe: Austria, Germany, Liechtenstein and Switzerland

The two large organised criminal groupings observed in Switzerland are the different Italian ‘mafias’, and the organised criminal groups originating in the Russian Federation. The structure of these groups thus is in accordance with what has been reported for Italian and Russian organised crime groups. Also North and South American groups are present to an extent. The only ‘novelty’

is the arrival of Asian mafia groups engaged in narcotics trafficking to Swiss territory. Otherwise, reference is made to the 1998 reply, indicating that domestic organised criminal groups are not abundant.

The geographical dimension of the activities of the 'foreign' groups covers most European countries. They are involved in a broad range of businesses, including construction, oil trade, financing and money laundering, transports, and other business both locally and internationally.

Germany reports that in 1999, 816 organised crime investigations were conducted, with 7777 suspects from 94 countries involved. 562 organised criminal groups were investigated, where over one-half (297) concerned groups with up to 10 suspects. On the other hand, ten of the investigated groups involved more than 100 suspects. Details about the type of structure of the different groups are not given. Mostly, the groups investigated were heterogeneous in terms of nationality, and for one-fourth (145), co-operation with other criminal groups was established.

The reply of Liechtenstein is not specific about the matters concerned. Due to the small size of the country and of its rural character, it is explained that Liechtenstein does not experience the common forms of domestic organised crime.

This group of countries again contains one (Switzerland) that because of its banking legislation and the administration principles linked to this is attractive for other kinds of organised criminal activities (and, consequently, groups) than is the case with its neighbours. Apart from this, Switzerland is described as an organised crime scene where groups from the strong neighbour Italy, together with Russian, North and South American, and even Asian groups and dominate. All of these may have found their way to this particular country for purposes related to money laundering.

Central Eastern Europe: Czech republic, Hungary, Poland, Slovakia and Slovenia

In this region, Slovenia reports that an increasing number of their nationals are part of associations which are led from abroad (Turkey, Bulgaria), whereas the Slovene 'cells' are only responsible for the execution of a certain part of the deal, most frequently the organisation and execution of logistic tasks. This indicates that a network structure with a cellular association is seen as the basic form. However, also the formation of hierarchically organised associations is observed to be emerging. The number of organised criminal associations is estimated at 72, with 628 members.

In a geographical sense, Slovenia is frequently used as a transit country in illicit drug trade, en route from producer countries (Turkey, Albania, Columbia) to Western Europe. The same role is also played with regard to the transport of illegal migrants to Western Europe. The war in the territory of the former Yugoslavian is seen as the major source of the latest developments, resulting in that more and more criminal groups from Slovenia made connections with criminal groups from Bosnia and Yugoslavia.

For the Czech republic and Slovakia, replies are rather similar. This, considering the common recent history of both, would also seem a plausible reflection of the real situation. The Czech republic describes the structure of organised criminal groups as twofold. On one hand, there are organisations of a relatively low level, with a flat structure and no clear leading structures. On the other, groups with vertical structures with more levels are distinguished. Here. The top level controls middle-level groups that are relatively autonomous; each group has their ordinary members. The organisations use external providers who provide services, and they also hire advisors if needed for various functions. Such external collaborators are often not familiar with the nature and operations of the criminal organisation. Many nationalities are involved in the Czech organised crime scene. The reply identifies three categories. Ex-USSR citizens, in particular Ukrainians and Russians constitute the strongest one. An increase of violent criminal activity is linked with the growth of this category. Racketeering (the sale of protection services) is the most common criminal activity involved. Organised prostitution and car thefts are also ascribed to these groups. The second category is represented in particular by ex-Yugoslavia citizens, and also Albanians and Bulgarians from the neighbouring areas, and Vietnamese. The third category is made up of more rare nationalities, apparently involved in a number of various criminal enterprises.

The largest groups identified are three with a Russian origin, each with 100-200 members. Russian and Ukrainian groups of a smaller volume, with about 50 members, are observed to be active in some parts of the country. A total of 20-30 groups with about 2000 members are estimated to exist in the country. A large proportion of these are of mixed origins, including even quite exotic nationalities such as Chinese and Vietnamese persons, indicating cross-border activities with all neighbour countries at least, as well as with countries outside of Europe. Operations are often seen as involving the Czech territory as a transit area from east to west, where target countries are primarily those near-by: Hungary, Italy, Spain, France. Further, traffic from the Far East and Africa is routed over the Czech republic to the USA and the Caribbean region. Illegal migrants, often gathered in Ukraine and other countries of the former Soviet Union, eventually cross Slovakia, Hungary and Poland to the Czech republic and then to EU countries.

Slovakia also reports well-organised hierarchical structures of organised criminal groups. These also have co-operation with foreign criminal groups, in particular where drug-related activities are concerned. Many group leaders are typically Slovak nationals, however, groups involved in drugs offences have a foreign leader, mostly from Albania/Kosovo, or former USSR countries. An estimate of the number of groups is not given, group sizes range from 5 to 50 members.

All of the territory of Slovakia is divided between organised crime groups, in particular the biggest cities. Slovakian organised criminal groups also co-operate with foreign groups in Europe as well as outside of Europe. In Europe, all neighbouring countries are enumerated as general partner countries. Co-operation with organised criminal groups in other European countries varies according to the relevant commodity. Romania is used for stolen cars; Germany, Italy, Spain, and Holland are partners for trafficking of women; other EU states are used for trafficking human

beings; and contacts with Scandinavia, Holland, Germany, Turkey, Albania, Bulgaria, and Romania are mentioned for drug trafficking. Non-European countries include drug producers such as Columbia and other Latin American countries, and Asian countries.

Hungary enumerates 76 existing and active organised crime groups with altogether 1982 individuals suspected to be involved, or an average of 26 persons per group. Nearly one-half (34 groups) have between 5 and 10 members, and 28 groups have between 11 and 30 members. Six massive groups are observed, with 100-300 members each, the largest ones operating in the Budapest metropolitan area.

The structure of the groups typically is of a hierarchical character. Also many of the groups operating independently of the large ones have a hierarchical structure. Of 62 observed hierarchical groups, 38 have one leader, 8 are ruled by two or more individuals, whereas 16 hierarchical groups have a multi-layered management structure. Even groups with a high level of task separation and long distances to be covered (such as organisations smuggling illegal immigrants) represent a hierarchical structure which is maintained over cellular phones.

In Hungary more than half of organised crime groups consist of Hungarian citizens only. One-third has mixed membership, and 7 groups consist of foreign nationals only. Of foreign members participating in the organised crime scene, the largest group is formed by persons from former Yugoslavia (in 11 groups). Citizens of the neighbouring Slovakia (7 groups) and Ukraine (7 groups) are also numerous. Further, Arabs, Turks, Germans, Russians, Sub-Saharan Africans, Albanians, and Romanians are observed. Single instances of organised criminal groups involving citizens of other European countries as well as of Armenia, Georgia, China and Australia are found.

Concerning the geographical area of operation, the Hungarian report states that the majority of groups operate in a large area spanning several counties within Hungary. The metropolitan area of Budapest and the northern counties of Hungary are the most important geographical areas of Hungary in this respect. Eleven groups are found to operate beyond the borders of Hungary. Connections to other continents are not observed; European connections encompass, in the first place, Slovakia and Ukraine. Also the Netherlands, Germany, Italy, Romania and Austria play a clear role, with a less important part played by Switzerland and Georgia. Links to Slovak organised crime groups are often noted to involve violent crimes; Slovak groups also play a central role in the trade of large volumes of arms and explosives.

Similar to other countries in the region, also Hungary is found to serve in the role of transit country in the smuggling of illegal immigrants from East to West. Similarly, drugs trade from many source countries often uses Hungary as a transit area, besides it being also a target country.

Poland observes that the structure of organised crime groups is usually rather simple. It is mostly a hierarchical structure with two or three levels. Every group has a single leader and few other members belonging to some sort of collective leadership. Other members, so-called soldiers, are

usually not full-time members. They are hired to do a concrete job and for concrete purposes. Thus, the group is usually not stable beyond the leadership level but changes constantly in the face of current needs and opportunities. Groups with more complicated structure, for example a cell-wise one, are not very common. Such structure is sometimes found in groups engaging in theft, legalising and smuggling of motor vehicles and in the production, smuggling and trafficking of drugs.

Geographically, Poland is an important producer of synthetic drugs exported to Western Europe, in particular to Sweden and Germany. Poland is also an important transit country for smuggling drugs to Western Europe, in particular from Turkey and CIS countries. Poland is also generally used as a smuggling route for a variety of other goods. Some of them, like alcohol and cigarettes, electronic equipment, are to a large extent destined for the Polish market. However, they are smuggled also from Western Europe to other countries like Belarus, Ukraine, the Baltic republics and the Russian Federation, and from these countries to Europe. Poland also serves as a major transit route or smuggling stolen cars from Western Europe to the region of the former Soviet Union. Even international money laundering business is observed to use Poland as an important station. All of these observations indicate that Polish organised crime groups often must have contacts and need to co-operate with foreign groups in the relevant countries, as referred to above.

In this group of countries, Hungary and Poland provide good examples of transit countries where the geographical location together with a favourable administrative system create the framework where organised criminal groups are able to make business. Also the other countries listed here offer favourable conditions for some organised criminal activities, the smuggling of drugs and of people further west gaining in importance because Slovakia, the Czech Republic and Slovenia are located en route from relevant source countries.

South-Eastern Europe: Albania, Bulgaria, Croatia, Cyprus, Greece, 'the former Yugoslav Republic of Macedonia' and Turkey

Cyprus represents a rather limited organised crime scene, according to the country report. The country has two main organised criminal groups, one based in Larnaca, the other in Limassol. Both are hierarchical, family-based structures that co-operate to some extent, and fight each other on occasions. Both groups have non-family members at the lower levels of hierarchy, the top nevertheless being held by family members. The groups are not having in international dimension. Instead, their activities are restricted to the geographical area of Cyprus.

Turkey reports that their organised crime groups mostly have a hierarchical structure, and occasionally structures of a cellular character are observed. The organisations are typically family organisations, where a background in the same region and the same families is of central importance. The leaders, then, are always of Turkish origin. Some co-operation with groups in other parts of the country may take place, occasionally. Organic ties with foreign organised criminal groups are not observed beyond the situation that some group members have personal

relationships with members of foreign groups. The number of more prominent groups is about 20, if smaller local groups are included, the figure approaches 100. The criminal activities of the groups sometimes extend beyond the Turkish borders, to the neighbouring countries, such as Bulgaria, Romania, and Ukraine; of West European countries, Germany and France are mentioned.

The 'former Yugoslav Republic of Macedonia' reports that in the organised criminal groups, there is no strongly defined structure, but rather a criminal network in which the members are horizontally connected through division of tasks and their interest in making profit. The size of the groups is not indicated, however the role of family connections is said to be dominating. Most leaders and members are from the home country. However, in groups that are dealing with illegal migration and drugs, there are attempts to impose foreign citizens as their leaders. The small size of the country prevents geographic or other divisions in the actions of criminal groups. Most of the groups are regionally connected with organised criminal groups or individuals from the neighbouring countries, sometimes even in other European countries.

Greece reports a multitude of organised criminal groups, with domestic groups representing the majority. Among foreign ethnic groups, Albanian, Russian, Bulgarian, Romanian, Turkish and Iraqi groups, i.e. groups from countries neighbouring to or near Greece are enumerated. Also Pakistani and Bangladesh originating groups are observed in connection of illegal migration, fraud and forgery. The group size basically ranges between 3 and 10, with division of tasks. These gangs are seen to be rather circumstantial as compared to Mafia-type organisations. In 1999, 41 organised criminal activity investigations involved a total of 256 offenders, little over half (138) of these being Greek, 44 Albanian, 17 Georgian, 7 Romanians, 4 Russian, 2 Bulgarian, 1 of the 'former Yugoslav Republic of Macedonia', 1 Hungarian, 1 Ukrainian, 1 Syrian, 1 Moldavian. From further east, 6 were Pakistanis, 31 Bangladesh nationals. Also one Nigerian and one Ethiopian are observed. Geographically, most of the organised crime activities involving foreigners represent a cross-border character. In the northern parts of the country, this cross-border crime is related to the trafficking in narcotics, the theft of and trade in stolen cars to and from Greece. In Southern Greece, where the ports are used for organised cross-border criminal activities, organising of illegal migration, and trafficking of arms and narcotics are observed. In these parts, organised criminal groups are also involved in the forgery of certificates (seamen's qualification documents). Overall, the largest part of organised criminal activity is located in the region of the two largest cities. A new element is the operation of members of the Italian Mafia-groups over the whole of Western Greece.

Countries of the southeastern European group vary according to how close and on which side of the countries of former Yugoslavia they are located. In this case, local tradition together with the recent war-induced situation of unusual crime opportunities and low level of control has probably provided favourable conditions for many organised criminal groups. As Croatia, Bosnia-Herzegovina and Albania have not replied, this tentative point cannot be pursued further. The other countries in this group are relatively isolated from large European crime markets and report, consequently, organised criminal groups whose activities are relatively restricted to their own

territory and locally (the FYROM, Cyprus, and Turkey). Greece, in contrast, reports a more massive influence of organised criminal groups that are having connections to groups in all of the neighbouring countries but not much further. More than the other countries in this group, Greece has experienced a recently grown importance as a transit country for trafficking people to western European destinations.

Eastern Europe: Georgia, Moldova, Romania, Russian Federation and Ukraine

Romania reports that their organised criminal groups are structured either as cells with reduced numbers of members, or as inner networks, often connected to similar structures in other states. The groups usually have a leader and a degree of inner discipline. Criminal groups from the gypsy population are based on family criteria with, however, criminal relationships with other domestic as well as foreign groups. Isolated cases of ethnic groups from the Turkish, Arab or Chinese communities are observed but these are not considered significant.

The connections to organised crime groups in other countries are related, specifically, to person traffic, slave trade, and drug traffic. These contacts being of a cross-border character, the connections to foreign groups are found mostly near the national borders (frontier areas) on one hand, and in big cities on the other. Some groups also have operations that involve other European countries near Romania (e.g. Germany, Hungary, Cyprus, Greece, Italy, Turkey, Austria, Yugoslav Federation, Switzerland), and even co-operation involving Asian, and North and Latin American countries are mentioned.

The group leaders in activities inside the country are Romanian citizens, or for ethnic groups, members of the gypsy community, Turks, Arabs, or Chinese. In cross-border activities, the leaders are usually foreign citizens, established in other states. In such constructs, there are also Romanian local leaders, their role being to ensure the commission of the particular offence and to recruit new members (lower-level assistance).

Besides Romanian groups, also groups formed on the basis of the nationality principle (Turks, Chinese, Iranians, Nigerians, Ukrainians, Moldavians, Russians) are observed. The activities of such groups are mostly of a local character, directed against their own nationals for the purposes of robbery and extortion of protection fees.

In 1999, a total of 1261 groups have been observed by police, 842 groups being formed of Romanian citizens, 145 of foreign citizens, and 274 mixed groups. The groups usually have 10-15 members, but also networks with 11-50 members have been identified, in particular in the field of person traffic. In the latter case, it is dictated by the nature of the dominant criminal operation that group membership is a mix of Romanian and foreign nationals.

Moldavian organised crime groups are reported to be structured hierarchically or as networks, with a few observations of cellular formations. Their composition is heterogeneous, including ethnic groups of Moldavian, Jewish, Russian, gypsy, Bulgarian, and Caucasian origins. The

groups are co-operating on a national level, and also international co-operation encompassing the entire area of the CIS exists. The criminal group leaders, similar to the other group members, are Moldavians and nationals of other CIS countries alike.

The volume of organised crime groups is estimated at 121, with 1160 persons involved. These 121 groups are understood to belong to six larger organisations of which five have leaders who are accepted as 'thieves-in-law'. The sizes of these six organisations range from 471 to 27 members, including two groups with up to 100 members. 93 of the 121 groups count less than 10 members each.

Besides the country's own territory, the criminal activities of the Moldavian organised groups involve many European countries that are reasonably close to the country (also Cyprus an Israel), but also further west such as Italy, France, Spain, and Portugal. Outside of Europe, co-operation with groups in the USA and China are observed. The profiles of the criminal activities are geographically differentiated. Operations carried out with CIS countries are quite similar to the selection of organised criminal activities carried out towards or in co-operation with organised criminal groups in European countries: trade in alcohol, tobacco, drugs, arms and explosives, people, and smuggling of migrants, money laundering, economic crime of various kinds. The exact character of the criminal operation reflects, in each instance, which countries are involved with which operations. Overall, the description resembles ones received from the Russian Federation in other contexts.

Ukraine reports that in 1999, 294 organised criminal groups with more than 2000 members were active in their territory. Of the groups, 33 (with 500 members) are having international ties. 12 groups (125 members) have an ethnic background. Information concerning the features, structures and spheres of influence are of a strictly confidential character and cannot be disclosed to the PC-S-CO. The Ukrainian report does, however, provide two examples of major organised criminal formations (eventually liquidated) that represent clear hierarchical structures, with renowned leaders with national backgrounds in Kazakhstan, the Poltava region and members with Chechen, Ingush and Dagestan backgrounds. The size of one group was about 30, with extortion of businesses as the central form of activity. The second group is involved in several kinds of business, ranging from oil trade, construction, food markets, and providing 'legal consultations' to commercial structures. This formation comprised about 100 members.

The geographical scope of the activities of these gangs have spread to several Western and Central European countries (Germany, Hungary, Poland, Greece, Great Britain are mentioned separately) and the USA. Money laundering (legalising illegally obtained means) is, of course, carried out in countries where offshore zones are situated). For illegal immigration, Ukraine is in a central position as a transit country to Europe, migrant arriving from China, Vietnam, Sri Lanka, Pakistan, and Afghanistan. Mention is also made of a transit function in the provision of women to the sexual markets in Turkey, Poland, Hungary, the Czech republic, Greece, Arab emirates, Israel, and the USA.

The Russian Federation reports very briefly on their situation. The Russian view stresses the hierarchical variant of organised criminal groups, with a detailed division of tasks and rigid internal discipline. The groups are, accordingly, described to be stable, with a superior union management. The latter refers to the existence of associations of organised criminal groups, often referred to in studies of Russian organised crime (e.g. Aromaa & Lehti 2000; Bäckman 1999).

The Georgian report states that their organised criminal groups are more often representing a hierarchical than a network structure. They only rarely have co-operation with other criminal groups in Georgia or abroad, the leaders and members typically being Georgian nationals. The size of the groups ranges between 11 and 50, and they operate only in their own country.

The Russian Federation and the CIS countries would, in effect, have in many respects experiences of organised criminal groups that resemble each other quite closely. This results from the collapse of the Soviet regime, connected with the rapid privatisation process and the weakening of state controls that continue to prevail. That Georgia provides an overview that is different from this may be an interesting case for further study.

The countries in this group are experiencing similar organised crime group phenomena as those that were reported in their neighbour region, the function of transit country in cross-border trafficking in drugs and in people towards western parts of Europe being important. The Moldavian and the Ukrainian situation would seem to resemble rather what is reported in different sources about the Russian situation. This characteristic is quite obviously related to the common near history of these ex-Soviet countries.

The Baltic countries: Estonia, Latvia and Lithuania

The structure of Estonian organised criminal groups are either hierarchical or of a network character. They are influenced by the geopolitical nearness to the Russian Federation and the historical strong connections with Russian structures. The connections between Estonian and Russian groups are weakening. The groups often have two to four leaders rather than one.

Because of historical tradition, two organised crime models are distinguished in Estonia today. One is the conservative model, resembling Russian organisations. The second is called the Progressive model, which is directed to economic crime and creates contacts with western European countries. The groups of the conservative model have a leader, forming a permanent group of brigadiers about him. Their ethnic background is dominantly Russian; they also share typically a prison background. These deal with semi-legal business or also purely criminal activities (drugs, thefts, robberies, extortion, and racketeering). Such groups protect their territory, and were observed to operate in three regions of Estonia. The scope of their geographical activity encompasses the CIS region and other Eastern European countries.

The progressive groups are orientated towards economic crime, also with international dimensions. Business ideas typically observed are related to smuggling, tax frauds, and bankruptcy offences. The structure of the group involves a few key persons, in certain activities also more extensive support networks, and a level of the concrete operation, with partners in another country (model example: smuggling drugs, narcotics, cigarettes, and alcohol to Finland).

The Estonian organised criminal world has a hierarchy, the top of which consists of 'the Council' with approximately 12 members, current or former leaders of groups, with great authority in the criminal world. The Council together with Estonian organised criminal groups formulates a specific territorial-criminal syndicate. The Council supervises the activities of most groups; these groups are accountable to the Council. They also pay taxes to the Council that uses the funds, i.e. to compensate losses suffered by group members (imprisonment, death). The Council does not lead the groups. This description resembles ones concerning Russian organised crime.

The majority of the members of organised criminal groups are Russian-speaking people coming from different parts of the former Soviet Union, and living in Estonia legally or illegally. In 1999, there were 10 criminal groups operating in Estonia, the estimated number of members of the group ranges from15 to 30.

The geographical scope of the activity of the Estonian organised criminal groups concentrates about Tallinn, the conservative Russian groups having connections mainly to the Russian Federation and Latvia. The members of Estonian (progressive) criminal groups are co-operating with groups from the near-by neighbour countries: Finland, Sweden, Latvia, and Lithuania. Also Germany, the Netherlands and Spain belong to the contacts, as Estonia is a transit country for drugs to Finland and other neighbours.

Latvian organised crime groups are structured in a hierarchical manner where four large associations of groups divide the territory. Each main group consists of a number of smaller groups, with from five to several tens of members. There are more than 50 criminal groups like these. They have a hierarchical structure, with strict tasks for each member. Nationality is of no great importance, except for the Chechen group that is considered being one of the largest and most serious groups in Latvia. Outside of the groups belonging to the larger associations, some small groups exist, with a less stable structure and composition.

The group leaders are mostly Latvian nationals. In all 13 criminal associations and over 30 other organised criminal groups are estimated to be active in the country, indicating that also Latvia is familiar with the Russian-style large associations of organised criminal groups as explained in the Estonian report in particular, and in Lithuania. The number of participants in these groups is estimated at 1300-1500.

A major part of the groups have contacts with organised crime groups abroad, mainly the Russian Federation, but also Lithuania and other neighbouring countries are relevant. The activities requiring such co-operation are typically related to smuggling and transit of smuggled goods.

Geographically, organised crime groups are prominent in metropolitan Riga and other large cities. Operations are expanding to the neighbouring areas of the Russian Federation, Belarus, Estonia, Lithuania, as well as Germany, Poland, Finland, and the Netherlands. Smuggling is the main area of contacts since Latvia is an important transit country for smuggling stolen cars and excise goods. No permanent activities outside of Europe were detected. However, individual contacts cover many Eastern and Western European countries, Israel, and the USA.

Lithuania reports that the structure of organised criminal groups is variable and not complicated. There are no exclusively ethnic groups. Co-operation with other groups in the same country is observed but it is not of a permanent nature but, rather, ad hoc co-operation. Contacts with foreign groups are also found to exist, mostly to the neighbour countries: Belarus, Ukraine, Latvia, Russian Federation, and in the West, England, Belgium, and Germany.

Over the 1990s, the phenomenon of organised criminal groups in the Baltic countries seem to have developed along dissimilar routes. The great influence of organised crime in the Russian tradition is still discernible but growing weaker and national groups may be growing in importance while groups based in the Russian Federation are still an important part of the scene. Estonia reports a diminishing influence of Russian-style organised crime groups, Lithuania reports a relatively moderate situation with Russian influences not having a very central role. Latvia, in contrast still is understood to be strongly influenced by Russian-style organised crime groups. The three countries would thus be developing along quite individualistic routes despite their background and location. However, as transit countries all three play a similar role, moving cars to the east and alcohol, drugs, and people to more affluent western member countries.

1.3 Number of organised criminal groups and number of participants

Primarily, the compilation presented in table 1 - like the one in table 2 - just reflects the size of the countries in question, with small countries reporting small numbers, and large countries reporting large numbers. Some countries report that they know of a given number of ‘major’ or ‘main’ groups, while others say they have no knowledge of groups that would fulfil the Council of Europe criteria but report on numbers of less structured and permanent groups. What exactly constitutes a ‘group’ thus still remains a partly unsettled matter. This is a particularly acute problem if countries with very different traditions are compared, as for example countries of the Scandinavian versus Russian or Italian traditions. A further distinction of ‘criminal groups’ and ‘criminal associations’ might be helpful in some situations, however also the concept of ‘association’ represents considerable standardisation problems. The reported figures clearly also depend on the level of awareness and on the sophistication regarding the matter of organised crime. We should not, however, interpret this only as a matter of awareness since it is likely that there is a significant correlation between the volume of effort spent of the topic and the real size

and seriousness of the problem. Tables 1 and 2 deserve, nevertheless, to be continued since, as yet, no better option has been developed.

Table 1. Estimated number of organised criminal groups in 1999

< 25	Andorra, Cyprus, Estonia, Malta, Iceland, Ireland, Liechtenstein, Luxembourg, Norway, San Marino
25-100	Albania, Czech Republic, Denmark, Greece, Hungary, Finland, Iceland, Latvia, Lithuania, Slovenia, Sweden, Turkey
100-200	'The former Yugoslav Republic of Macedonia', Moldova, The Netherlands, Slovakia
200-500	Poland, Spain, Switzerland, Ukraine
> 500	Germany, Italy, Romania, Russian Federation, United Kingdom

A similar confusion may hamper the comparability of figures for the number of 'participants'. This also reveals the great difficulty caused by the lack of standard criteria for 'group' as well as 'participant' or 'core member' and 'other member'. The data for Iceland may just serve here as an illustration of the seriousness of this problem. When estimating numbers of 'participants', a very large number is indicated because the reply refers to 'persons involved' and apparently involvement, if the narcotics scene in particular is considered may likely comprise everybody who is dealing or using drugs. For this reason, attempts to relate the given quantities to the size of the population of each country may not be very useful at this point of analysis.

Another perspective is a historical one, comparing the 1999 data with previous statistics. When doing this, most member States for which such statistics are available, appear to report similar figures from year to year. However, there are exceptions. Finland reported 27 organised criminal groups in 1999, compared to 12, 16 and 22 in the three previous years. Moldova also reports rising number: 71 in 1996, 65 in 1997, 105 in 1998 and 121 in 1999.

Table 2. Estimated total number of participants of organised criminal groups in 1999

< 500	Andorra, Cyprus, Estonia, Finland, Greece, Iceland, Ireland, Liechtenstein, Luxembourg, Malta, 'the former Yugoslav Republic of Macedonia', Norway, San Marino
500-2,500	Albania, Czech Republic, Denmark, Hungary, Iceland, Latvia, Moldova, the Netherlands, Slovenia, Switzerland, Turkey
2,500-5,000	Poland, Ukraine
> 5,000	Germany, Italy, Russian Federation, Spain, United Kingdom

Section 2 - Criminal activities of the groups

2.1 Trafficking in illicit drugs

General picture

Drug trafficking still is the most common criminal activity for organised crime groups in quite a number of member States. Examples are the UK and the Netherlands. In both countries 56 per cent of the groups mentioned in the national situation report are involved in this type of crime. Of the organised crime groups existing and active in Hungary, 43% was involved in the manufacturing an/or trafficking of illicit drugs. Of the 816 criminal investigations regarding organised crime in Germany last year, one third (272 cases) involved drug trafficking/smuggling.

In the majority of cases in the UK as well as in the Netherlands, drugs trafficking groups were involved in more than one kind of drug. In the UK, cannabis is the most common drug trafficked in conjunction with other drugs, followed by cocaine, synthetics and opiates (NCIS, 2000, p. 28). In the Netherlands most drugs trafficking groups are dealing with cocaine, followed by synthetic drugs, cannabis and heroin.

However, trafficking groups do not even confine them to the various types of drugs. Many are also involved in other kinds of criminal activity. Although according to the Polish police criminal groups in this country do not specialise in one kind of criminal activity, the trade of illicit drugs clearly is one of the dominant areas in which organised criminal groups are operating. The traditional Mafia type organisations in Italy are involved in all kinds of criminal activity, but notably their actions are concentrated in the areas of drugs trafficking, smuggling of tobacco and arms. But also foreign criminal groups are involved in drugs trafficking. The number of foreigners prosecuted for the organised trafficking of illicit drugs increased 16% in 1999, from 401 to 465. Groups composed of ethnic Albanians are selling drugs in the southern part of Italy (Campania and Calabria).

The narcotics trade is the most common offence type of criminal organisations in Finland; 19 of the 48 groups operating in the country are considered to act mainly in this field. In addition two groups have carried on activities related to drugs. Only 5 groups have focused so heavily on drugs related crime that other crime may be considered minor to it. Also in these cases the groups is involved in other types of crime, most often property crimes (especially receiving). 13 groups are both trafficking and selling; 6 only sell illicit drugs. None of the groups are reported to produce drugs, which is clearly different from last years, when 5 groups were suspected of being involved in the production of drugs. However, last year 286 cannabis nurseries were discovered by Finnish law enforcement authorities.

The most frequent activities of organised crime groups in the Czech Republic and in Norway continue to be manufacture, smuggling and distribution of drugs, car thefts and prostitution. Slovenia became popular with criminal associations involved in drugs trafficking. 18 of the approximately 72 organised crime groups in Slovenia are producing or trading illicit drugs.

In Ireland, the importation of drugs is largely the preserve of the major criminal organisations in the country. These groups form the most significant element of Irish organised crime and almost all of them are based in the Dublin area. As in previous years, drugs and armed robberies were the most frequent activities by organised crime groups.

In Finland, drugs related crime is the form of crime with most intensive growth. The increase in narcotics crime is reflected by the increase in criminal complaints, seizures of drugs and of course involvement of younger and younger users and dealers in narcotics crime. In some circles, researchers talk about a new drug wave similar to the 1960's. It seems the narcotics market in this country is being re-divided and extended. According to one estimation, half of the drugs market in Finland is in the hands of foreigners and this proportion is not decreasing. Last year, the number of persons suspected of having committed a narcotic offence rose with 12%, while the number of foreigners among them increased 24%. Foreigners play a role in the illicit drugs trade in Switzerland as well. Last year, 42 individuals and one enterprise, all related to Russian organised crime groups were suspected of drugs trafficking.

Despite the fact that Cyprus is no longer used as a transit point for drug shipments to Europe, there is an increase in the local consumption of drugs (mainly marihuana), mostly by young people. It is believed that organised crime groups carry out importation and distribution of most of the illegal drugs. Some criminal elements have co-operated with Turks in the occupied area of Northern Cyprus and smuggled heroin and hashish into the Southern part of the island and abroad.

Criminal activities related to illicit drugs are on the increase in the former Yugoslav Republic of Macedonia and in Ukraine as well. Drug addiction rates increased in Ukraine considerably over the last five years. The situation is aggravated by the growing interest of international drug traffickers to the country. According to the Ukrainian report such interest is caused not only by the geopolitical situation of the country but also by the intense migration of the population, the absence of proper means for drug control especially at the national borders and by the settling of foreigners, particularly Africans. Not only are new routes created through the territory of Ukraine but the country is turned into a consumer market as well. Heroin, cocaine and psychotropic substances are found more and more.

The problem of the trafficking of narcotics is considered a major problem in Greece. In 1999 it assumed bigger dimensions than before and the estimate of Greek authorities is that the situation will get worse in the near future. One of the ways this threat manifests itself is the use of Greece

as a transit country for narcotics. This is caused, among other things, by the cultivation of illicit drugs in neighbouring countries and the ties developed between the Albanian and the Italian Mafia's as well as with Latin American organised crime syndicates.

Since foreign wholesalers are focusing more and more on Hungary, which serves both a transit and a receiving purpose, an increase is anticipated with respect to the trading of both traditional and synthetic drugs. Also in Romania there are signs that drug traffic will expand. The country is already being used as a warehouse and as a - not well developed yet - sale market for drugs.

There are fears that significant consumer markets for hard drugs such as heroin and cocaine may finally establish itself in several Eastern European countries, for instance in Poland and Romania. When the number of consumers grows, some of them - especially young people - will turn into drug addicts and end up as street level dealers or will commit other offences in order to be able to procure drugs. This tendency could mean more serious problems in smuggling, since it would lead to intensified contacts and co-operation with international criminal organisations, first of all in major producing countries.

Poland also notes a growing incidence of Polish citizens used as drug couriers and being arrested abroad. Various kinds of illicit drugs were involved. Consignments of heroin, cocaine, hashish, marihuana, amphetamine and ecstasy were seized by non-Polish law enforcement agencies while smuggled by Polish nationals. This happened for example in Denmark.

Heroin

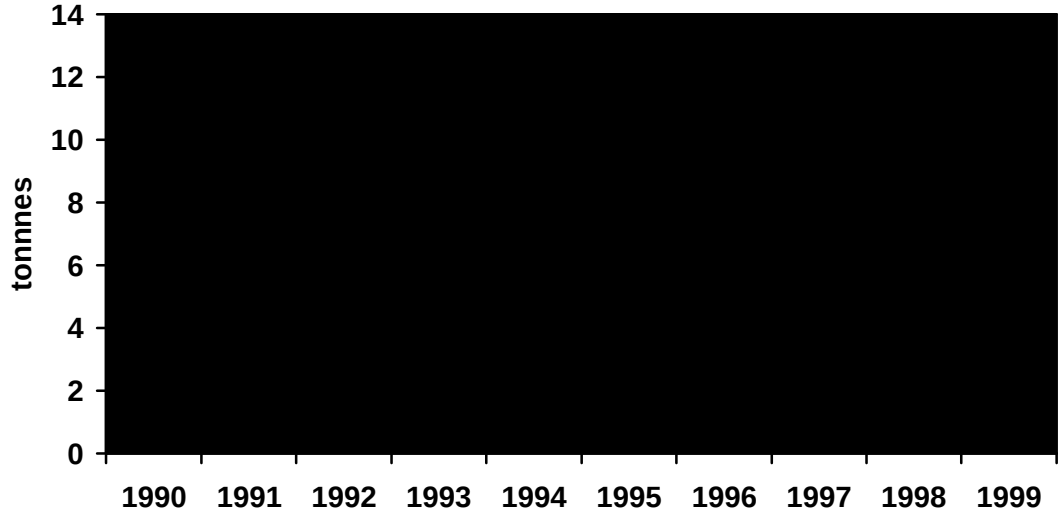
Last year, the world opium production probably reached an all time high. Although the area under cultivation of poppies in Myanmar was reduced by about 31%, in Afghanistan it was increased by 43%. Socio-economic and climatic conditions in Afghanistan apparently played an important role in the spectacular increase of opium poppy production during the 1999-growing season. It is reported that, in order to repay debts they incurred during previous bad seasons, farmers increased their opium poppy cultivation. Very good weather conditions during the harvest further enhanced the opium output. As a result, the total production of opium in Afghanistan reached a record of an estimated 4,565 metric tons. This is approximately 80% of the world production of around 5,778 metric tons (ODCCP, 2000, p. 31). Potentially, this amount of opium is equivalent to 578 tons of heroin. In comparison to 1998, the potential supply was increased by one third.

About half of the opium produced in South West Asia is probably consumed or seized in the region itself (ODCCP, 1999, p. 27). The rest is primarily destined for Europe. This means the rising trend in the production could have a significant impact on the consumer market in Council of Europe member States. However, stockpiling of opium, especially in Afghanistan and Turkey, could moderate the impact. Also the lack of precursor chemicals, in particular acetic anhydride, could partially prevent or delay the processing of opium to heroin.

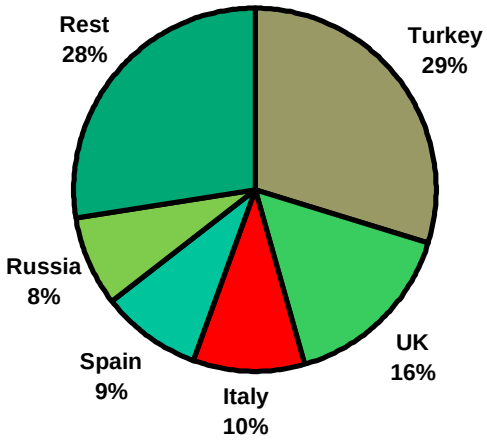
The long-term trend in the global production of opium and its derivatives has been upward for a very long time. UNDCP estimates reveal that in the last decade the increment was more than 50% (ODCCP, 2000, p. 34). At the same time, abuse of opiates has become a worldwide phenomenon. Almost two thirds of countries reporting trends in the last two years indicated rising consumption. Developing countries and countries in transition (including Albania, the Former Yugoslav Republic of Macedonia and Romania) show the largest growth. In developed countries opiate use is relatively stable. This also counts for the majority of the member States in Western Europe (ODCCP, 2000, p. 180). In some countries (e.g. France, Italy, and Spain) the level of opiate abuse is falling. But in Central and Eastern European countries (CEEC's), where opiate use was negligible until the early 1990's, the demand for treatment for this type of drugs has clearly increased. This rise reflects an increase in availability of imported heroin, which in turn has lead to a drop in the use of domestic produced opiates, such as 'kompot' (EMCDDA, 2000, p. 38). Heroin is a niche market drug, typically used by 'junkies'. They used to be found in big cities only, but nowadays opiate use in CEEC's has spread to most rural regions as well. The total number of junkies (problem users) in the Council of Europe member States is estimated between 2 and 3 million.

There are no estimates on the amount of opiates consumed in Europe. The increased availability of heroin can be derived from trends in prices and seizures. Between 1990 and 1998, the wholesale price of heroin in Western Europe declined approximately 60% and the retail price about 70%. On average, the most recent prices are even lower in CEEC's (ODCCP, 2000, p. 162 & 165). In the same nine-year period total amount of heroin seized in Europe has doubled (graph 1). Last year this figure incremented 4% to an all time high of 13 tons (table 13 in appendix II).

1. Heroin seized in Europe, in 1990-1999



2. Heroin seized in 1999



As mentioned before, the majority of heroin destined for Europe comes from the opium fields of Afghanistan. The heroin or morphine base produced from the opium exits the country by a number of routes - Iran to Turkey appears to be the principal one. Once in Turkey, it is converted into heroin in laboratories operated and owned by Turkish traffickers. By far most of the heroin imported to Council of Europe member States travels overland via Turkey. This explains why in this country by far the largest amounts of heroin are seized. In 1999 it concerns 3.9 tons, which is almost one third of the total amount intercepted by European law enforcement authorities (graph 2). In addition, 727 kg of morphine, 1,010 kg of morphine base and 319 kg of raw opium and almost 38 tons of the precursor acetic anhydride were discovered by the Turkish authorities (see table 18 in appendix II).

Statistics on seizures show, that although more and more heroin is discovered in CEEC's, the largest amounts are found in the Western European countries which represent major consumer markets: Germany, Italy, the Netherlands, Spain and the United Kingdom (graph 2). The only major consumer market in Eastern Europe seems to be the Russian Federation (ODCCP, 2000, p. 182). However, the seizure of more than 1 ton of heroin in 1999 can be attributed to the size of the Russian consumer market but also to geographic factors. At present, the country has a transit function for heroin on its way from Afghanistan to Western Europe. Some consignments cross the Black Sea and are transferred through Ukraine. This is one of the alternatives for the traditional Balkan route (BKA, 2000, p. 11/12).

There are indications that in the past few years the use of the Balkan route has changed. Originally, trucks would travel from Turkey through Bulgaria, the former Yugoslavia or Romania and Hungary to the major consumer markets in Western Europe. Nowadays, other routes are used as well, transiting countries like the Russian Federation, the Baltic States and Poland. Into Denmark the drug is typically smuggled from the Balkans via the Czech Republic, Germany and Poland. Ethnic Albanians play a prominent role in this trade. They often employ young, male couriers from the German frontier areas with Poland and Czech Republic. The ethnic Albanians have taken over the dominant role from the Turkish groups who previously called the tune in this market.

Arabs, Kosovo Albanians, Nigerians, Colombians and Turks are mostly involved in drug dealing in the Czech Republic. All Czech experts believe that organised crime groups operating in the country are involved in the manufacture, smuggling and distribution of illicit drugs. Two categories of groups can be distinguished. The first specialises in illegal manufacture, distribution and sale of the typical Czech pervitin drug (metamphetamine). Epidemiological statistics show that this drug is still number one among drug addicts. The second category specialises in heroin and uses the Balkan route. These groups are mainly based outside the Czech Republic. They have Czech members as well as members from the former Yugoslavia, Bulgaria, Turkey, Nigeria and Arab countries. Czech citizens are getting better hierarchical positions in the foreign organised groups. They employ Nigerian and Kosovo Albanian couriers.

According to the Danish report, the great majority of consignments of heroin seized in Scandinavia have passed through the Czech Republic and Germany. Turkish criminal groups are involved in narcotics crime at all levels in Denmark. Ethnic Albanians have played an extremely important part in the organised, widespread smuggling of heroin into Denmark. These people have established themselves at strategic points along the smuggling route from the Balkans via (in particular) the Czech Republic, Germany and Poland to Scandinavia. Turkish and ethnic Albanian groupings also dominate the Norwegian heroin market. Other groups are also related to the sale of drugs, for instance the motorcycle gangs Hell's Angels and Bandidos. Most of the heroin discovered in Finland is trafficked from the Russian Federation and the rest mainly from the Netherlands.

There seem to be three branches of the Balkan route that pass through Polish territory. The first one originates in Turkey, uses the land route to Bulgaria and Romania or the sea route to Romania. It then passes through southeastern Ukraine or Hungary and Slovakia to southern Poland and to Germany. The second route originates also in Turkey, crosses the Black Sea to Ukraine and leads through Belarus and Poland to Germany. Finally the third one originates in Central Asia or in the Far East and through the Russian Federation or the Russias Federation and Ukraine joins the one mentioned before. Smuggling of heroin from Turkey often takes place under the cover of licit activities conducted by legal firms engaged in the import and export of textiles. Usually the drugs are hidden in TIR-trucks, sometimes without any knowledge from the driver. Nowadays, traffickers are often offloading their heroin consignments in various countries along the route, splitting them into smaller portions and switching the mode of transport from trucks to

minibuses and private cars. Last year, the total amount of heroin transported by private cars and seized along the Balkan route was almost as much as the figure for trucks: 2,040 kg versus 2,148 kg (BKA, 2000, p. 18). Also tourist buses are used for such purposes, though the amount discovered in these vehicles was much less in 1999 than in previous years (494 kg versus 1,546 kg in 1997 and 1,293 kg in 1998). Another method employed by Turkish groups uses the Slovak-Polish border. The drugs are smuggled by car to Slovakia, repackaged and carried across the border via the mountains by individual couriers.

Perpetrators in producer countries (especially Turkey, but also Albania and Columbia) increasingly use Slovenian territory and citizens for the transport of drugs. The land route from the East towards the West is less popular at the moment due to the troubles in Yugoslavia. The use of the ferryboat from Albania is becoming more popular among drugs trafficking organisations. The problem of illicit drugs trade is still on the increase and more and more frequently Slovene nationals are members of well-organised international associations engaged in this illegal business. Small profits are reinvested into the drug trade and quantities that law enforcement authorities encounter are becoming larger and are often aimed for the Slovenian market.

The information from the various sources leads to the conclusion, that as far as the various branches of the Balkan route are concerned, Turkish criminal organisations still have hegemony in the heroin traffic. The majority of suspects arrested last year on the Balkan route were Turkish nationals. More than 50% of traffickers are ethnic Kurds (BKA, 2000, p. 24/25). But ethnic Albanian groups play a role of increasing importance in the trade. They use the Balkan route as well as other routes for the transport and distribution of heroin. In some member States they even seem to have succeeded in monopolising the import, e.g. in Italy. This country recently has become one of the logistic centres for the distribution of heroin to consumer markets in the European Union (BKA, 1999, p. 48).

Poland's internal drug market is still dominated by the homemade opiate called 'Polish heroin' or 'kompot', although consumption of amphetamines of domestic origin is on the increase. Last year, 19 major laboratories producing 'kompot' were discovered and destroyed. As regards the 'classic' hard drugs such as cocaine and foreign heroin, domestic consumption is rather small, as these drugs art still too expensive for the average Polish citizens. However, in the capital city of Warsaw the consumption of smokable heroin, the so-called 'brown sugar' seems to be growing.

In Lithuania, a growing interest of organised criminal groups in illicit drugs can be detected. Although the local drug market is small, it has grown at a fast rate and has become more diversified as the substances consumed in western markets have become available alongside more traditional homemade illegal drugs. Over the last ten years, the consumption of 'shirka' a crude form of heroin manufactured locally from poppy straw and akin to the Polish ‘kompot’ has reached epidemic proportions. As in Poland, brown sugar heroin from the Golden Crescent has been introduced in Lithuania, while for a number of years there has been a consumer market for cocaine (The Geopolitical Drug Dispatch, December 1999).

Greek nationals (57% of traffickers) mainly conduct the trafficking and trade of heroin in Greece. In the second place come Albanians (22%). If the amounts of heroin are taken into consideration, the largest proportion was smuggled by Albanian criminals (32% of the total quantity seized in 1999). Greece reports a new tendency of trafficking heroin into the country with parcels sent by mail from Turkey. They usually contain only small quantities.

Ukraine reports the involvement of Nigerians as well as Arabs in the smuggling of narcotics. They attempt to integrate domestic criminal gangs into their international trading network. The drugs dealt with can be either cannabis or cocaine. Nigerian drug running syndicates seem to be taking advantage of international air links to develop their country into a hub for bringing in heroin from the Far East and cocaine from Latin America to Europe. Heightened police and customs suspicions have forced the Nigerian gangs to change their tactics. A lot of Nigerian couriers are now travelling with forged papers identifying them as citizens of other African countries (Klein, 1999, p. 56). But sometimes the smuggling organisations simply employ nationals from other African countries, such as Ghanaians, as couriers (Bernstein, 1999, p. 21).

Cocaine

In the recent past a major change has occurred in the production of cocaine. Traditionally, Peru was the world's largest producer of coca leaf, Bolivia and Columbia being second and third in the ranking. But due to eradication programs and other causes (including climatic variations and arrests of kingpins), the level of production in Peru and Bolivia has decreased significantly, while the area with coca plants in Colombia has increased dramatically. The net area under cultivation probably slightly declined over the last five years, from 206,000 to 183,000 hectares. According to the United Nations Office for Drugs Control and the Prevention of Crime, the potential production of cocaine hypochoride in the recent past decreased from 869 to 765 tons per annum (ODCCP, 2000, p. 40). However, estimates on illicit drugs are not very reliable, due to problems in conducting field surveys in major producing countries, including Colombia and Afghanistan. Interpol (July 2000, p. 6) reports an increase in the world production of cocaine in 1999, reaching 800-900 tons. In order to improve the quality of statistics on the global cultivation of poppy and cocaine, the United Nations recently initiated the Global Illicit Crops Monitoring Programme. The first results are expected by the end of 2001 (UNDCP Update, June 2000).

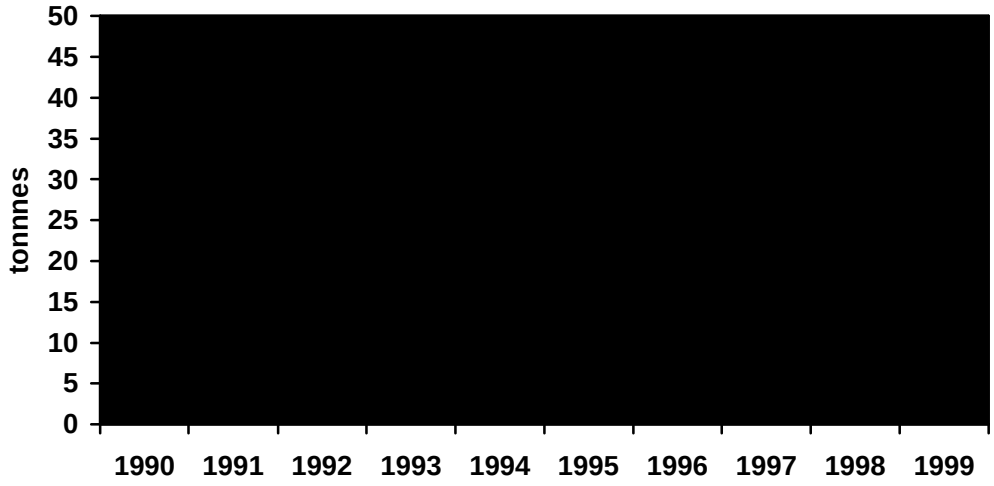
Traditionally, the coca leaves were harvested and partly processed to coca paste and cocaine hypochloride in the producing countries and partly exported to Colombia. Nowadays, two thirds of all cocaine originates from Colombia. A further increase in the area under coca cultivation in this country is expected (ODCCP, p. 32).

The major part of the cocaine goes to the United States of America. Although the American consumer market collapsed in the middle of the eighties, it still is the biggest in the world, consisting of 6.6 million people who used the drug at least in the last 12 months. This is three times the estimated number of coke consumers in the European Union (ODCCP, 2000, p.188 &

196). Taking into account the large proportion of the cocaine is consumed or seized in the production region, only a fairly small proportion of the global production is destined for Europe. According to the General Secretariat of Interpol, the flow of cocaine probably lies between 120 and 180 tons per annum (Interpol, July 2000, p. 8).

Last year, the total quantity of cocaine seized in Europe was almost 45 tonnes (table 14 in appendix II). This means an increase of 31% in comparison to 1998, though it was slightly less than the amount seized in the previous year. Without doubt the long-term trend is rising, with average inclinations of 15% per annum in the last decade (graph 3).

3. Cocaine seized in Europe 1990-1999



The consumption of cocaine in Europe is concentrated in the western part of the continent. Here, its use has been rising for quite a number of years. Cocaine mostly tends to be used experimentally or intermittently. However, though consumption of this drug is much less frequently accompanied by serious health problems than the use of opiates, demands for treatment of coke users are increasing in a number of countries, including Belgium, the Netherlands and Spain (Van der Heijden, 2000). There is evidence that a proportion of cocaine users are experiencing severe problems. This is partly explained by the fact that heroin users seeking assistance frequently report cocaine as a secondary drug. Another cause for concern is the form in which cocaine is consumed. In a number of member States, some drug treatment services have reported that among clients in treatment for heroin dependence there has been an increase in cocaine use, taken intravenously or smoked as 'base/crack'. The use of crack seems to have a deteriorating effect on a person’s health and social well being, mainly because of its highly addictive nature (Coumans et al., 2000, p. 124).

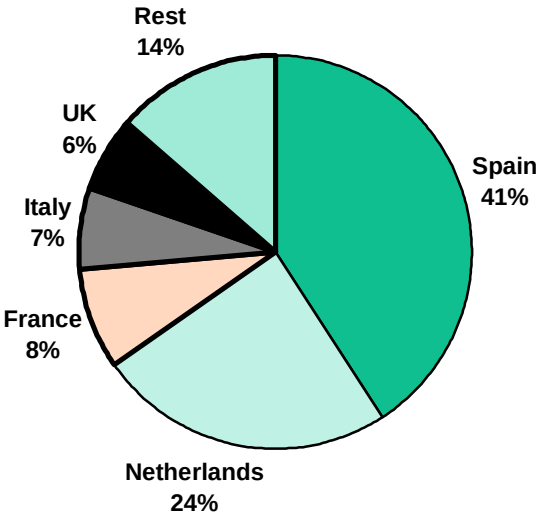
Cocaine use is relatively rare in the CEECs. Nevertheless, as availability has increased so too have prevalence, trafficking and seizures. Compared with other drugs, cocaine in the CEEC's is quite expensive and its use tends to be limited to the higher socio-economic population groups (EMCDDA, 2000, p. 39).

Only about a quarter of the cocaine exported to Europe arrives directly from producer countries (Interpol, op. cit.). The main transit countries for cocaine before it reaches Europe are Brazil, Venezuela, Ecuador and the Caribbean islands. The fact that most cocaine seized in member States has arrived though transit countries indicates the establishment of large trans-national networks of criminals and of alliances among criminal organisations operating in various parts of the world. Nigerians, Russians, Italians, Turks and ethnic Albanians are involved in the wholesale trafficking. However, Colombian organisations continue to control the supply of cocaine into Europe (Interpol, op. cit.; Europol, 2000). Domestic criminals are involved in the organised smuggling of cocaine from South America to a number of Council of Europe member States. This counts for instance for Germany, Italy, Denmark, the Netherlands and Greece. Their role sometimes is confined to the retail distribution, but often extends to the wholesale level and in some cases even to the importation of the drugs.

As in previous years, the most common way of transport for cocaine is maritime commercial use of containers. This is particularly true for large consignments. Last year, European law enforcement authorities seized several shipments of over one ton. The largest consignment was found by Spanish customs in July 1999, almost 10 tonnes of cocaine from a vessel approximately 900 miles west of the Canary Islands. An additional seizure of 5 tonnes was done one week later during the same operation. The criminal organisation that was responsible of these transports was mainly composed of Colombian and Spanish individuals, but the majority of crewmembers of the vessel was Russian (Interpol, op. cit., p. 15). Another large consignment was by Dutch customs in a container in the Rotterdam harbour. This haul weighed 4 tonnes and was en route from Peru to Portugal. All suspects involved were Portuguese nationals (Interpol, op. cit., p. 15; De Telegraaf, 1999).

Seizure statistics point to the Galician province of Spain as being the favoured European entry point for large quantities of cocaine. There are a variety of reasons for this, including similarities in language and the numerous isolated beaches. As indicated by the aforementioned interception in the port of Rotterdam, the Netherlands has also become to notice as an entry point for cocaine concealed in commercial shipping containers. Almost two thirds of the total amount of cocaine seized in Europe last year was discovered by Spanish and Dutch law enforcement bodies (graph 4 and appendix II table 14). Other countries where large amounts were found are France, Italy, the United Kingdom and Belgium.

4. Cocaine seized in 1999



Smaller consignments often are transported by air. Most of these cases have involved couriers who come from Columbia, Ecuador, Venezuela and Peru. The ringleaders are often found to belong to indigenous networks that organise smuggling of cocaine from South and Central America, including the Caribbean. For example, there are Danes in the cocaine-producing countries, who are well established in criminal circles and are therefore in a position to procure drugs and couriers in order to bring the coke to Denmark. Other countries where large proportions of cocaine are imported by air are Cyprus, Austria, Croatia and Germany (Interpol, July 2000, p. 9).

Amphetamine and analogues

This paragraph refers to various types of synthetic drugs, including amphetamine, metamphetamine and ecstasy-type substances such as MDA, MDMA and MDEA.

In the past, metamphetamine was mainly associated with North America and East/South-East Asia, but it seems that nowadays this stimulant is also found in some European countries, including Denmark and the Czech Republic. But amphetamines and ecstasy are far more popular in most member States, especially among the younger part of the population.

In the European Union, between 1 and 5% of those aged 16 to 34 have taken amphetamines and/or ecstasy (EMCDDA, 2000, p. 7). The highest prevalence data are found in the United Kingdom, where 10 percent of the 16 to 29 year age group has tried ecstasy at least once and 20 percent amphetamine (NCIS, 2000, p. 25). These drugs are the second most used, after cannabis, in Europe. Following strong increases in the 1990's, ecstasy use in the Western part of the continent appears to be stabilising or even falling, e.g. in Austria, Germany, Ireland, the Netherlands, Spain and Switzerland. This remarkable transformation probably can be attributed for the major part to changes in the youth culture. Until recently, the use of ecstasy in many countries was closely related to a vigorous music/dance culture. The 'hype' of 'rave parties' is over and ecstasy use is shifting away from these large dance events to more geographically dispersed settings, including bars and private dwellings. Another possible causal factor is some disenchantment with what is being sold as ecstasy, but often isn't. The contents of tablets sold as ecstasy pills may vary considerably, from those containing pure MDMA to ones whit high levels of amphetamines, to a mixture of lactose and caffeine alone (EMCDDA, 1999, pp. 83-85). This could be the result of improvements in the precursor control in recent years (ODCCP, 2000, p. 21).

However, at the same time amphetamine use is slightly rising, e.g. in the Nordic countries and in France. In the Eastern part of the continent, all synthetic drugs have grown in popularity, particularly in the Baltic States, the Czech Republic, Hungary, Poland, Slovakia and Slovenia. Stable trends for some amphetamine-type stimulants are found in Hungary and the Czech Republic (EMCDDA, 2000, pp. 7 & 39; ODCCP, 2000, pp. 19-21).

The market for synthetic drugs differs significantly from both the heroin and cocaine markets. The latter drugs are manufactured in countries outside Europe. Since their production is heavily dependent upon weather and soil conditions, actual production may vary greatly from one year to another, only remotely influenced by demand factors. In contrast, manufacturing of synthetic drugs occurs throughout Europe, including Eastern Europe. Compared to the preparation of plant-based substances, the relative amount of precursors necessary for the manufacture of amphetamine and analogues is likely to be far less. Moreover, the number of different possible precursors makes control efforts very difficult (EMCDDA, 1997, p. 58/59). All this means production can much more easily be adapted to demand and other market factors, including scarcity as a result of seizures of large consignments. Distribution of synthetic drugs is also easier in comparison to heroin and cocaine, *inter alia* because they usually are odourless and therefore harder to detect.

Compared to the illicit drugs mentioned before, the consumption of amphetamines and analogues has less adverse effects on the body. The addictive effects are limited and more psychological than physical. However, the use of ecstasy in hot and crowded settings can result in dehydration and overheating. In some rare cases this has caused sudden death of users (EMCDDA, 1997, pp.13-33).

In Europe, the most important producing countries are the Netherlands and Poland. In the last two years, 71 laboratories were dismantled in the Netherlands alone. In 1999 the Dutch police realised 154 large seizures (i.e. of over 500 tablets) versus 124 in 1998 (USD, 2000). Despite these successes they seem not able to keep up with the criminals, as more and more Dutch synthetic drugs are discovered in other countries, in Europe as well as in other parts of the world. Probably 80% of amphetamines and ecstasy manufactured in the Netherlands is destined for export to other member States as well as to the United States, Australia and Southeast Asia. Last year, over 200 seizures of synthetic drugs, which were related to the Netherlands, took place in other member States of the Council of Europe. In addition, law enforcement authorities in the United States reported 59 similar seizures and authorities in other non-European countries 33 (USD, 2000, p. 27). In total, 13.3 million ecstasy tablets and about 1,850 KGs of amphetamines originating from the Netherlands were seized in this country or abroad. It is estimated that Dutch criminal organisations are at present responsible for more than half of the global production of amphetamines and ecstasy. Recent data show the increasing production trend still continues (de Volkskrant, 2000; Papenhove, 2000).

As mentioned before, Poland also produces synthetic drugs. As far as Polish groups are involved in drugs, they are primarily engaged in the manufacturing and distribution of synthetic drugs, first of all amphetamines. Since 1990 Poland has become one of the most important European producers and exporters of this drug. Synthetic drugs are exported to various Western European countries, first of all to Sweden and Germany. Polish amphetamine distinguishes itself by the very high purity. The drugs are mainly manufactured in mobile laboratories, which change location very frequently in order to avoid detection. Nevertheless in recent years dozens of laboratories have been revealed and destroyed by the police. In 1999 this occurred to 8 laboratories.

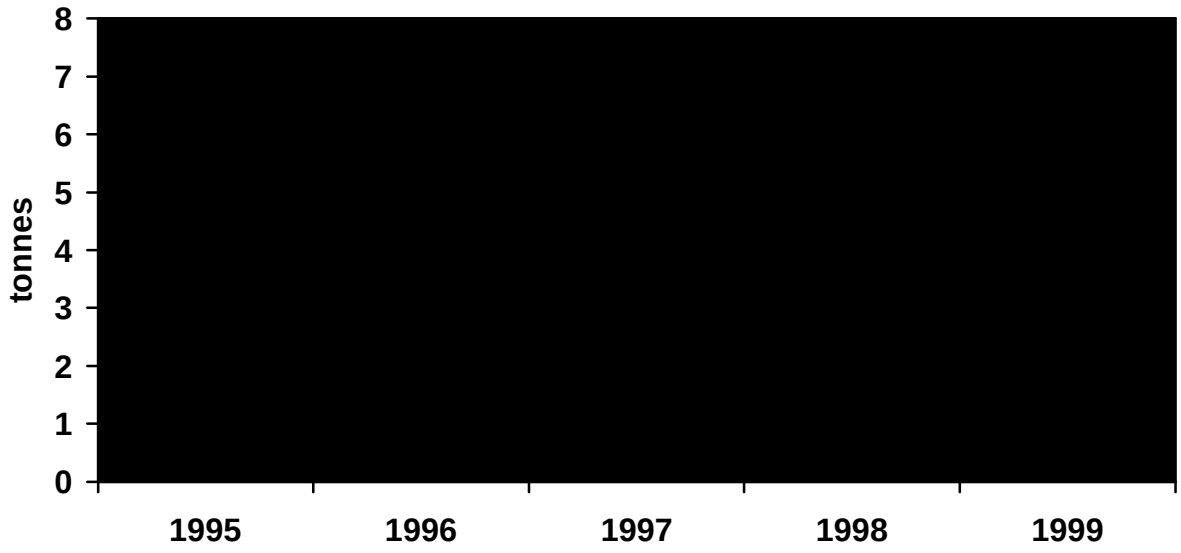
Other Eastern European member States where synthetic drugs laboratories were closed down last year are the Russian Federation (56 labs for amphetamine and/or barbiturate production), Czech Republic (27, most of them home metamphetamine (pervitin) labs), Ukraine (3), Estonia (1), Hungary (1), Lithuania (1) and Slovakia (1). Besides the Netherlands, other Western countries were such laboratories were revealed are Germany (7), Belgium (4), Spain (3), Denmark (2) and the UK (number unknown).

Synthetics for the UK market are almost exclusively manufactured either in the UK itself or on the near continent, primarily The Netherlands and Belgium. Large-scale seizures, presumably from organised crime groups, are on the increase. The most important type of synthetic drugs manufactured in the UK is amphetamine. This country leads in European seizures of this type of drugs. Approximately one third of the total seized amphetamine is discovered here (Interpol, April 2000, p. 56).

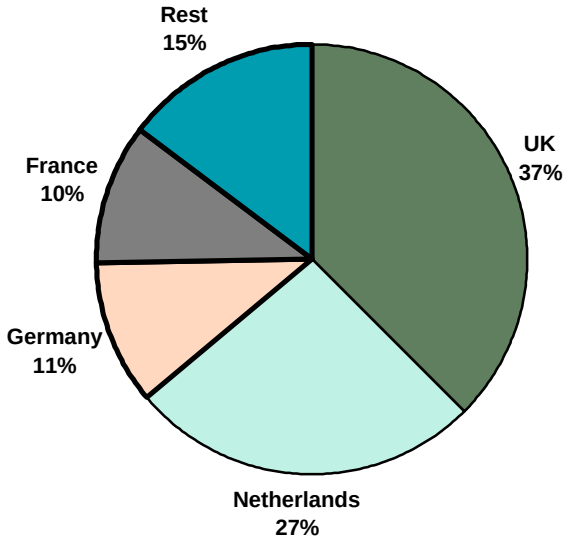
The amount of amphetamines and analogues seized in Council of Europe member States last year hardly differs from the year before: 6.7 versus 6.6 tonnes (graph 5 and table 15 in appendix II). Also the distribution of quantities seized resembles the ones in previous years, with the United Kingdom and the Netherlands occupying the first and second ranking. In recent times about two

thirds of the total amounts were seized by law enforcement bodies in these two countries (graph 6).

5. Amphetamines and analogues seized in Europe 1995-1999



6. Amphetamines and analogues seized in 1999



Compared to heroin and cocaine, not only the issue of production but also that of stockpiling is slightly different in the synthetic-drugs market. According to some sources, most of the large-scale laboratories in The Netherlands and Belgium are manufacturing according to regular orders from organised crime groups. Since an established manufacturing and tableting operation can produce an end product in a very short time scale, there is not need to stockpile an end product. However, manufacturing organisations are believed to attempt to stock of precursor chemicals and binding materials required for tableting, since these are rather scarce due to the strict controls in many member States on manufacturing and trading to these chemicals. Romania notes it is likely that in the future, attempts to embezzle quantities of psychotropic substances and precursors from the legal circuit will become more frequent and that the synthetic drugs issue will become more difficult to keep under control.

Ecstasy is imported to Finland mainly from Estonia, but it has been produced in the Netherlands. Amphetamines for the consumer markets in Norway and Denmark are mainly collected in Poland, the Baltic nations, the Netherlands and Belgium. In most known cases of ecstasy smuggling in Denmark, the tablets originate from the Netherlands or Belgium, and are smuggled by means of private cars, buses or trains. The great majority of couriers are Dutch, Belgian and British. Since amphetamines are trafficked to Finland mainly from Estonia and heroin from the Russias Federation, citizens from these countries are among the most often suspected foreigners for narcotics offences in this country. In most cases in Denmark only nationals from the country itself are responsible for smuggling and dealing in synthetic narcotics. Some of them are connected to the biker culture. Information indicates that criminal groups involved in the smuggling of amphetamines and ecstasy in Denmark have connections with corresponding groups in the Netherlands and Belgium.

Ukraine reports an emerging threat of domestic production and distribution of synthetic drugs. The pharmaceutical industry is privatised and some qualified professionals in the field of chemistry and pharmaceutics are dismissed because of the staff reduction. This could cause the creation of clandestine laboratories for production of such substances with the help of the corresponding specialists and the use of special equipment.

Cannabis

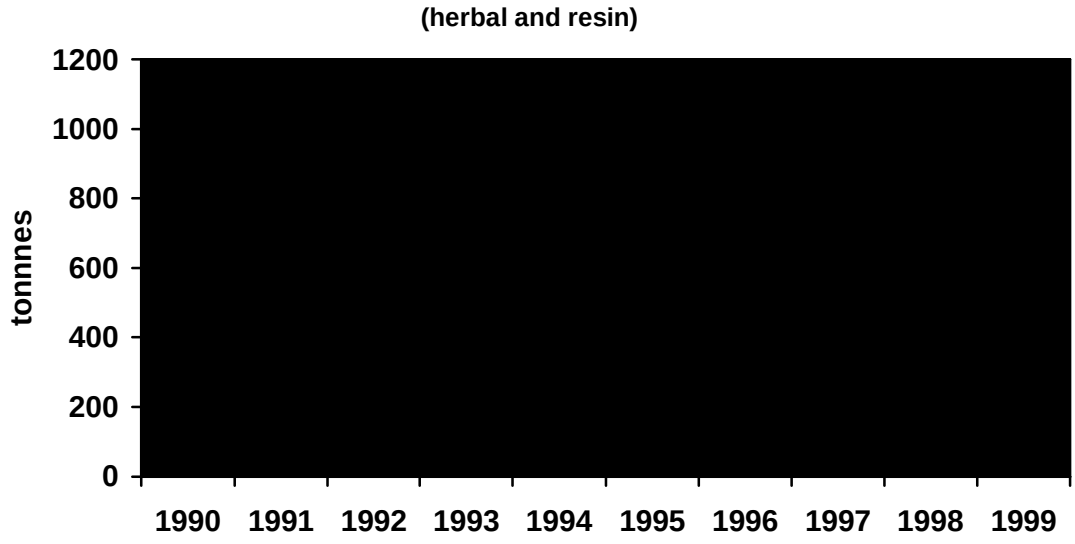
At the global level, trafficking of cannabis exceeds that of all other illicit drugs in terms of geographic spread and quantities smuggled. Herbal cannabis (marihuana) is widely trafficked in all regions but particularly in North America, which records by far the largest seizure quantities of that drug. In 1997 1,774 tonnes were discovered in Mexico, the United States and Canada, representing 61% of the global quantity of cannabis herb seized (ODCCP, 1999, p. 183). In contrast, more than half of all cannabis resin seized worldwide is found in Europe. The only other regions where large amounts of resin are discovered are producing countries in North Africa (particularly Morocco) and southwest Asia (especially Afghanistan and Pakistan; ODCCP, 1999, pp. 190-193; Interpol, 2000, pp. 38-42).

Cannabis is cultivated in various regions in the world, including South America, the Caribbean and Europe itself. In fact, the majority of member States of the Council of Europe are reported as source countries for cannabis (Interpol, 2000, p. 38). In some member States, especially in the western part of the continent, the cultivation takes place indoors. The Netherlands has a long established expertise in this area and seems to have exported this knowledge to other member States, including Germany, Finland, France, Italy and the UK. In other countries, most positioned in the southern and southeastern parts of the continent, cannabis plants grow outdoors. Last year an enormous number of them were destroyed in Turkey: 197.4 million. Other countries where much smaller, but still significant numbers of cannabis plants were uprooted are the Netherlands (0.6 million), Italy (0.5 million), Germany (0.2 million) and the former Yugoslav Republic of Macedonia (0.2 million). In Georgia and Bulgaria large quantities of 32 and 29 tonnes of cannabis plants were destroyed.

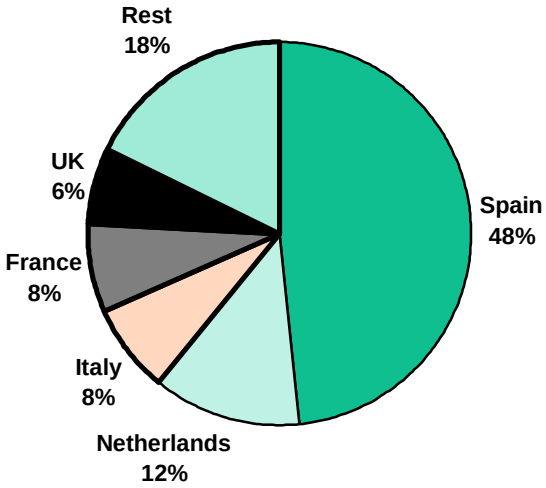
Without doubt cannabis is the most widely available and commonly used illicit drugs in Europe, with substantial increases in use over the 1990's. Surveys of the general population and of schoolchildren show that lifetime prevalence of illicit drugs increased significantly in the second half of the last decade, in the western as well as in the central and eastern European countries. The highest prevalence data, with lifetime experience of 30 to 40 per cent of school children, are reported in the Czech Republic, Ireland, the Netherlands and the UK (EMCDDA, 2000, pp. 13 & 37/38).

Although the total amounts seized fluctuate from year to year, the trend is clearly upward (graph 7). Seizure statistics show how widespread the trafficking of cannabis occurs (table 16 in appendix II). Nearly all member States report seizures of this type of drugs. However, the trade is highly concentrated in the European Union. Less than 10% of the total amount seized in 1999 was reported by non-EU member States. Spain reports the largest quantity discovered by law enforcement authorities: 431 tonnes, almost half of the total quantity seized in Europe last year (graph 8). Due to its geographic position, close to Morocco being a major producing country for cannabis resin, Spain serves as the primary gateway to Europe for these drugs. Spanish criminal groups are heavily involved in the trafficking of cannabis. However, in many major cases criminal groups had a mixed composition, including Moroccan, French, British, Dutch, Italian or German nationals. These groups control the transport and distribution networks in Europe (Interpol, April 2000, p. 40).

7. Cannabis seized in Europe 1990-1999



8. Cannabis seized in 1999



Besides Spain, the Netherlands is a major importer and storage point for cannabis distribution to other member States, including Germany, Sweden, the United Kingdom and Denmark. By far the largest proportion of cannabis distributed in Denmark is probably produced in Morocco, but in 1999 the police and customs authorities seized a ship's cargo of about 12 tonnes of cannabis that originated from southwest Asia. A Lithuanian-owned and manned freighter transported the drugs, and the financial ringleader behind the transport was a British national. However, most often cannabis is smuggled into Denmark by organisations consisting of Danes who are or have been resident in the Netherlands or Southern Spain. But also persons of Moroccan ethnic origin were responsible in 1999 of both smuggling in and trading cannabis in Denmark. Cannabis is normally brought from depots in the Netherlands or smuggled directly from Spain to Denmark. But in a number of cases France, Belgium and Germany are used as transit countries.

Poland is used as a transit country for marihuana and hashish on the so-called 'African route', whereby the narcotics are transported from North Africa over sea to Polish ports and than overland to Germany.

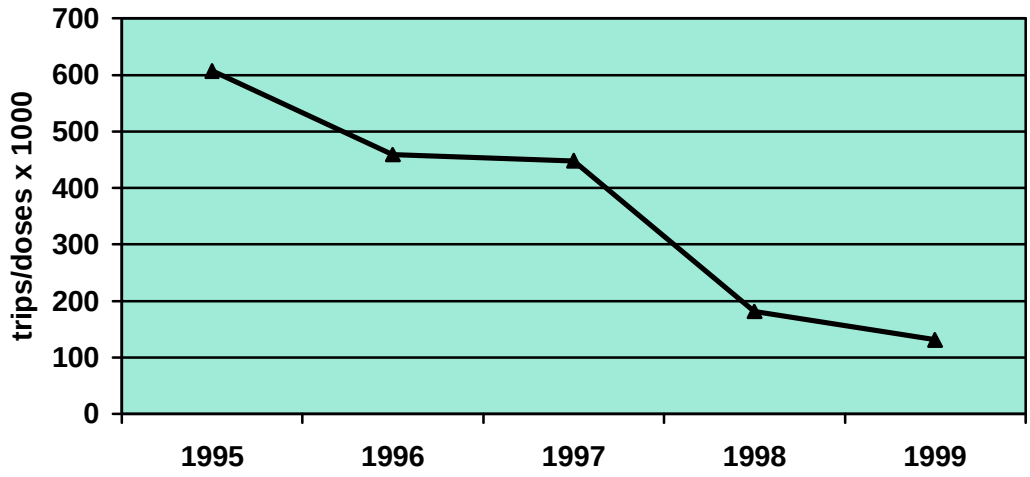
In Ukraine, at the residence of one of the members of an organised criminal group 2.2 grams of heroin and 1,260 kilograms of hashish were seized. The narcotics were transferred to the region from Middle Asia. In another case 6,141 two Czech lorry drivers to a Czech business enterprise transported KGs of hashish, produced in Uganda.

Authorities of the Russian Federation were able to reveal 101 nurseries for cannabis, whereas in Hungary, 10 and in Estonia 2 plantations (both in greenhouses) were discovered. In Italy the quantity of cannabis seizes has augmented considerably due to the fact that this type of illicit drugs is provided more and more from the Balkan region where is it cultivated. In Greece, more than 80% of the drugs seized originated from Albania and in many instances Albanian criminals were involved in the trafficking, sometimes co-operating with Greek nationals. But there were also cases in which the narcotics were transported by ship from Morocco. 10 per cent of the unprocessed cannabis seized apparently was grown in Greece itself.

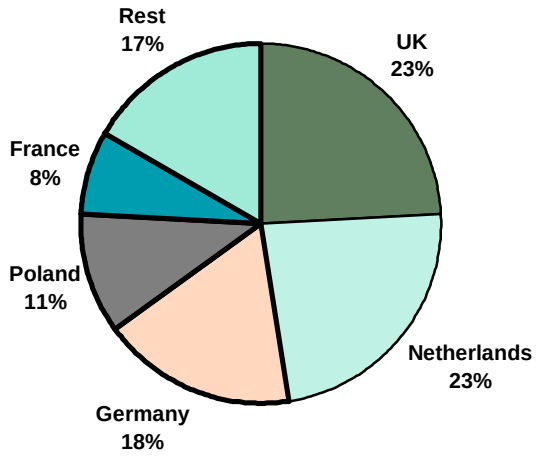
Other illicit drugs

During the 1970's, LSD (lysergic acid diethylamide) was a popular drug in some countries, such as the UK, Ireland and the Netherlands. During the 1980's, use declined. LSD subsequently experiences a renaissance in the late 1980's and early 1990's (EMCDDA, 1997, p. 64). However, based on seizure statistics it seems that consumption has decreased again in the second half of the last decade (appendix II table 17 and graph 9). Compared to other types of drugs, there is a minimal reporting of LSD seizures in 1999. In total, slightly more than 130,000 trips or doses were discovered, which is less than a quarter of the quantity seized in 1995. As with most types of illicit drugs, the largest amounts were found in the European Union, especially in the UK, the Netherlands and Germany (graph 10). The only Member State outside the EU, where large numbers of LSD-doses were revealed is Poland.

9. LSD seized in Europe 1995-1999



10. LSD seized in 1999



In table 18 (in appendix II), statistics are presented on other types or drugs than the ones already mentioned and on variations of the form in which some drugs were found. Seizures of raw opium, opium extract and (parts of) poppies were mainly reported by member States in East and southeast Europe. This can for the most part be attributed to the fact that poppies are cultivated in the region as well as in neighbouring regions in Central en southwest Asia. The same explanation goes for morphine and morphine base, which are manufactured by processing opium.

Doping substances are mainly found in Scandinavia, although in 1998 Poland also reported a major seizure of over half a million ampoules filled with steroids. Denmark reports that a lot of shipments of performance-enhancing drugs are coming from the USA. Usually, the recipients have ordered drugs, which are illegal in Denmark directly via the Internet. The seizures that take place often relate to practitioners of sports on exercise programs. In Turkey, large quantities of the stimulant fenmetrazine (Captagon) are seized: almost half a million tablets in 1998 and almost 2.5 million last year.

2.2 Fraud

Activities which this report on organised crime in 1999 treats as fraud are those allegedly run by organised criminal gangs and targeting private economic operators or prejudicial to the interests of public finances in the countries concerned.

In most countries there is no clear measure of how much fraud exists. This is due firstly to the fact that authorities' information depends, even more in the case of fraud than in that of other activities, on indicators which monitoring agencies are unable to interpret. To use a common metaphor, although it is universally recognised that only the tip of the iceberg is visible, no one knows how much of the iceberg is hidden. Furthermore, since much fraud has an international dimension[2] it is not included in national reports. Finally, several countries also stress the difficulty of distinguishing fraudulent activities by legitimate economic operators from those imputed to organised crime. A number thus provide a global figure for instances of fraud.

Fraud is not the activity most frequently mentioned in the national reports for 1999 on organised crime. The types of fraud described often appear to correlate closely to the country's prevailing economic climate; they vary according to whether the country concerned is in eastern Europe and making the transition to a market economy, in western Europe and intensifying trade as a European Union member state, or an international financial centre.

Fraud is often combined with other activities such as money laundering, the manufacture or use of forged documents and traffic in forgeries. Some countries do not distinguish between these activities but deal with them under the blanket term of economic crimes. To judge from the Spanish report, however, the extent of organised criminal involvement in each of these activities

[2] This has often been noted. See Levi and Pithouse, 2000.

varies considerably. Of 209 gangs (with a total membership of over 6,000) identified by Spanish criteria as running organised crime, seven or eight are allegedly involved in fraud and 22 in activities pertaining to document forgery.

Running fraudulent activities requires a mastery of often-complex economic and financial techniques. Particularly useful are capabilities more normally in the domain of legitimate operators, such as making sophisticated business arrangements, establishing front companies and having recourse to offshore institutions. While such techniques and facilities are originally set up by legitimate operators to get around the rules, they may subsequently be useful for organised crime.

A number of countries indicate that traditional criminals are seeking to expand into the more lucrative world of economic and financial activities. The Polish, Russian and Czech reports note in particular that there is cross-fertilisation between organised crime and the legal economy. Some 8% of the Polish stock market is said to be controlled by organised criminal gangs. Depending on their technical capabilities and the opportunities available to them, gangs are developing a variety of fraudulent activities in banking, insurance, public finance and other sectors. The Czech Republic too mentions a great deal of fraud in public finance, which pre-supposes an excellent understanding of regulations and practices and would require the participation of experts. Of the twelve organised criminal gangs (total membership 359) prosecuted in the Russias Federation in 1999, four were implicated in cases of fraud. All criminal organisations in Italy are reported to be interested in new arrangements giving the appearance of businesses and in convergence with the legal economy. This would have the effect of creating an intermediate grey area composed of legal businesses whose capital, for example, would already have been laundered. Finland, on the other hand, reports no organised involvement in financial crime, this being the exclusive preserve of legitimate economic operators.

Many European Union member states thus report the continuing rise in so-called “carousel” transactions - VAT fraud perpetrated by exporting and re-exporting goods[3]. Frequent use is made of front companies, false documents or forgeries of genuine documentation. For example, the Danish report highlights a major case of fraud in relation to the sale of mobile telephones. Thanks to an arrangement between Danish and foreign companies (in France, Norway, Liechtenstein, Sweden and Germany), it was fraudulently claimed that VAT had been paid in another country. As a next step the company liable for VAT was made insolvent before the customs authorities were able to collect the outstanding dues. The Netherlands, Luxembourg, Iceland, Greece and others describe similar instances of fraud, the last-named noting that techniques are becoming increasingly sophisticated. For example, Greece has had to deal with fraud concerning food companies’ involvement in imaginary activities.

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[3] Such fraud is now worth over one billion euros. In this connection, see European Union, 1999, and European Union, 2000.

The opportunities for fraud in countries making the transition to a market economy are generally related to the sudden emergence of privatised businesses. The Czech report connects fraud at financial institutions with the transformation currently sweeping the country. One fraudulent practice is that of "tunnelling" or "asset-stripping", which involves embezzlement from firms declared bankrupt. The report also highlights the increase in organised embezzlement and fraud in the insurance sector. Many of these economic crimes are allegedly the work of the "Russian mafia". Similar developments are described in Slovakia, Ukraine, Hungary, Latvia, Russian Federation and elsewhere.

Countries which double as major international financial centres and hosts for foreign businesses, such as Liechtenstein, Luxembourg and Switzerland, are more useful for setting up front companies and for the potential to abuse the financial facilities which they offer. Fraud here takes the form of concealment and the redirection of funds from doubtful sources. It involves individuals from organised and unorganised crime in other places such as the European Union, Russian Federation, the former Yugoslavia and even the Chinese diaspora. The Swiss report notes that moneymaking crimes such as financial fraud, misappropriation and corruption are generally committed in CIS countries; however, the persons or companies concerned may be established in Switzerland.

In the Netherlands an analysis was made of 118 cases (implicating 374 individuals), which met the definition criteria for organised crime. It was possible as a result to separate the practices of organised criminal gangs into primary and secondary activities. Fraud is mentioned in connection with 41 cases, in 31 of which it is the primary activity. It would appear to be the almost exclusive activity of the gangs concerned, since it is only rarely combined with other activities (in only five cases is it recorded as a secondary activity). The analysis reveals that cases in the Netherlands most frequently concern tax, customs or VAT fraud perpetrated by companies with no other criminal involvement. In contrast, the forgery of documents is usually combined with other activities, and with illegal immigration in particular.

Some countries report that cases of fraud are increasing markedly and involve considerable sums of money. In 1999 Spain experienced a 300% rise in fraud affecting banks, private companies and public finance, compared with a 175% increase in document forgery. The 15,000 cases of fraud were worth 7.5 million euros. Greece too reports an increase (40% in 1999). Figures are also up in Poland, where 144 individuals were charged with bank fraud, incurring a total loss estimated at 8.4 million US$ - of which less than 500,000 US$ was recovered. Public finance fraud cost the treasury an estimated 152 million US$. In Denmark, losses are estimated at 33.5 million euros.

Cases of fraud are beginning to emerge (in Norway, for example) in connection with the growth of the Internet.

Several countries, among them the Netherlands, the Russian Federation, Poland and Italy, report that gangs are still seeking to become more international and diversify into the legal economy, where opportunities appear more profitable. The Netherlands notes that organised crime is mirroring the legal economy in that it is becoming increasingly international in terms of the circulation of goods and flow of capital.

Credit card fraud, whether by forgery or by pirating PIN numbers, is especially common in Denmark, Poland, Hungary and Greece. However, as yet no definite link has been made to organised crime. Greece reports that losses resulting from credit card theft total 30 million drachma, but in only one case have investigators been able to place the blame on organised crime.

2.3 Forgery and counterfeiting

Several countries report forgery and counterfeiting of money, documents, brand names, commercial products and telephone cards.

As regards money counterfeiting, Poland reports that forgery of both the domestic and foreign currencies has increased. A similar problem exists in Ukraine and the Czech Republic.

The spread of telephone cards has given rise to new forgery and counterfeiting activities. Greece reports one case worth 2 billion drachmas in which a gang fraudulently recharged telephone cards before selling them on.

The counterfeiting of documents continues to expand. In certain countries, such as Slovenia and Greece, it is associated with the specific problem of illegal immigration owing to the regional situation. Greece reports a 65% increase in cases of this nature as a result of the situation in the former Yugoslavia and Albania.

In other countries forged documents are used in smuggling and trafficking in commercial goods. The Czech Republic reports an increase in document forgery for the import of goods and customs fraud. In Poland false documentation is most widespread in the vehicle market, where it is used for the large-scale traffic in luxury cars shipped predominantly to the Russian Federation.

Forgery also affects brand names and copyright. CD piracy is reported by Greece and Poland; in the latter it is the most common serious offence. The Polish report refers to several cases worth a substantial sum, three exceeding 1.5 million US$ in value and one involving nearly 200 people. The counterfeiting of brand names has led to seizures worth some 720,000 US$.

2.4 Vehicle thefts and trafficking

The observations made in previous reports remain valid. Vehicle theft is a serious problem in many countries, but statistics do not generally reflect the fact that it encompasses a variety of phenomena. The practice of "borrowing" cars for joy-riding or "rodeo-riding" is often recorded in the same way as thefts arranged by traffickers. It can reasonably be assumed that vehicles in the first category are generally recovered, while those in the second category are unlikely to be seen again. They feed a network which may or may not be organised and which includes "exporting" nations as well as transit and destination countries.

The various countries which consider themselves transit nations include Denmark (in the case of vehicles heading for Poland and the Russian Federation), Latvia (for the Russian Federation and Belarus), the Czech Republic (for Poland and the Russian Federation), Poland (for the Russian Federation), Slovakia (for Romania), the Netherlands (for Africa and the Maghreb) and Spain (for the Maghreb). The Russian Federation calculates that the illegal import of stolen vehicles was worth 500 million US$ and reports that 4,713 such vehicles were recovered on its territory.

The national reports thus indicate that there are two trafficking routes, the first leading to the countries of eastern Europe (often the Russian Federation) and the second to the Maghreb and Africa (Ghana and Nigeria).

Some countries, among them Poland and the Netherlands, describe the emergence of a traffic in spare parts stripped from stolen vehicles. This trade owes its existence to the demand created in certain countries by the recent increase in used vehicles.

Denmark reports that Polish networks are active on its territory, where they steal some 500 cars every year to be shipped to Poland and the Russian Federation. Stolen vehicles reportedly also contribute to drug trafficking, where they are used as a means of payment.

The Netherlands reports on the traffic in vehicles stolen in Belgium and Germany and being shipped to Africa and the Maghreb. The trade extends to spare parts, stripped cars and the "laundering" of cars by changing their identification numbers ("ringing"). Garages are legal businesses highly favoured for this practice and also for drug trafficking, since their premises are often used for loading consignments. Stolen vehicles are not necessarily sold on – often they are instrumental in other illegal activities.

Of the 76 gangs identified in Hungary as involved in organised crime, eleven reportedly specialise in vehicle and drug trafficking.

The traffic in stolen vehicles is a regular activity of organised criminal gangs in the Czech Republic. Many accomplices are used, ranging from individuals recruited to steal or transport a car to specialists in the more skilled work of document forgery and garages and police officers for concealment and certification. In Poland, where the incidence of vehicle theft has soared during

the last ten years (rising from 9,356 cases in 1991 to 42,222 in 1995 alone), the main concern at present is the transit trade in luxury cars destined for the Russian Federation. The practice is reliant on efficient organisation, since in addition to the theft and transport of vehicles it entails document forgery and the operation of complex networks of complicity with garages and corrupt officials.

Among the ten or so organised criminal gangs operating in Estonia, one (the "Volkov" gang) specialises in this field, over which it is said to exercise complete control.

Having served for years as a transit country for cars stolen in the European Union, Greece is becoming a source of vehicles for the Balkans, especially Albania and Bulgaria. Gangs active in this sector may occasionally combine with their counterparts in Turkey or Albania. Thessalonica and Attica are reportedly major centres of the traffic.

Lastly, Iceland reports that some 200 vehicles are illegally imported every year from Germany and the United States.

Table 3 shows statistics on vehicle theft. In most of the member States for which data are available for both 1998 and 1999, the number of vehicles reported stolen decreased. Exceptions to this trend are the Czech Republic, Estonia, Ireland, Poland and Slovenia, where there was an increase, whereas in Latvia and Sweden the figures were about the same for both years.

Because of the fact that many cars are fairly easily recovered as they are stolen for one time use only (joy riding or rodeo riding), the number of stolen vehicles that are not recovered can be regarded as an indicator for the level of organised crime in this area. Recovery rates vary considerably among countries. This can partly be attributed to differences in reporting practices. Table 3 shows mixed trends in the recovery of stolen vehicles. In four member States (Czech Republic, Ireland, Latvia and Slovenia) the number of non-recovered vehicles went up. In nine countries (Cyprus, Germany, Greece, Hungary, Lithuania, Malta, Slovakia, Spain and Sweden) more stolen vehicles were found back in 1999 than in the previous year. In one country (Moldova) the number of non-recovered vehicles remained about the same, but the proportion went up as the number of thefts increased.

Table 3. Vehicle theft in 1998 and 1999

Member state	Vehicles reported stolen		Vehicles not recovered		Proportion not recovered	
	in 1998	in 1999	in 1998	in 1999	in 1998	in 1999
Albania						
Andorra		73				
Austria	10,304		3,415		33	
Belgium						
Bulgaria	8,039		4,430		55	

Member state	Vehicles reported stolen		Vehicles not recovered		Proportion not recovered	
	in 1998	in 1999	in 1998	in 1999	in 1998	in 1999
Croatia	1,678		890		53	
Cyprus	1,252	948	663	356	53	38
Czech Republic	28,000	29,001	23,000	24,254	82	83
Denmark	5,000					
Estonia	618	2,455		1,483		60
Finland		15,379		1,582		10
France						
Georgia						
Germany	168,600	119665	83,328	50,840	49	42
Greece	18,243	17,362	10,384	9,954	57	57
Hungary	16,205	12,628	10,340	7,594	64	60
Iceland		277		12		4
Ireland	13,793	14,851	1,500	2,262	11	15
Italy	284,296					
Latvia	3,068	3,102	1,562	2,656	51	86
Liechtenstein		17		0		100
Lithuania	6,946	3,675	5,578	1,654	80	45
Luxembourg						
Malta	1,202	1,066	606	457	50	43
Moldova	901	645	401	414	45	64
Netherlands	32,496	29,300	14,363		44	38
Norway	17,716	17,254	1,794		10	
Poland	61,151	84,855		44,925		53
Portugal	1,048					
Romania		156				
Russian Federation		55,368		39,467		71
San Marino		14		5		36
Slovakia	7,682	7,123	6,033	5,735	79	81
Slovenia	1,016	1,282	622	733	61	57
Spain	143,544	137,857	45,502	42,447	32	31
Sweden	48,227	48,400	3,909	3,700	8	8
Switzerland	80,386	74,319				
'The former Yugoslav Rep. of Macedonia'	227		173		76	
Turkey		17,912		8,866		49
Ukraine						
United Kingdom						

2.5 Smuggling of contraband goods

The main focus of smuggling is on heavily taxed goods such as cigarettes and alcohol.

Smuggling is reported in many countries, including Spain, Estonia, Latvia, Poland, Denmark, Finland, Greece, Italy, the Netherlands and Sweden. Even Switzerland, where it is not an offence to bring in cigarettes, indicates the existence of transit activities run primarily by the Italian mafia. Estonia lays the blame on Azeri and Armenian gangs. In Spain, smuggling has increased by 90%. However, the heaviest traffic appears to run between the Balkans and Italy.

Greece reports a high incidence of cigarette smuggling to Italy and other EU countries via the former Yugoslavia, Albania and Bulgaria. Those responsible, who include Greeks, Ukrainians, Russians and Iraqis, work in co-operation with the Italian and Montenegrin mafias. Several operations are mentioned: one led to the seizure of 700,000 packets of cigarettes, and in another nearly 800,000 packets en route from China to Bulgaria were taken at Piraeus. The total value of seven such operations is estimated at 1,800 million drachmas. The Italian report confirms that, among the gangs involved in mafia-type organised crime, the Camorra and Puglia groups have reached various agreements with Balkan mafia gangs, particularly those in Albania and Montenegro, to smuggle drugs, arms and cigarettes.

The smuggling of alcohol is mainly a Scandinavian, Baltic and Polish problem. Poland calculates that it lost 22 million US$ to smuggling in 1999.

Other smuggling activities include trafficking in works of art in Cyprus and Greece (up by 66%) and the trade in computer components in Ireland. Smuggling networks are particularly active between the Netherlands, Germany, Belgium and the United Kingdom.

2.6 Illegal traffic of arms

Groups trading in arms are reportedly active in all countries directly involved in conflict or in the vicinity of conflict zones. Ireland indicates the presence of a dozen well- organised gangs running drugs and arms. The same is true of countries bordering the conflict in the Balkans, especially among the Albanian-origin population of western Macedonia and in Slovenia, where 14 of the 70 gangs are estimated to be involved in arms trading.

Similar activities exist in the Czech and Slovak Republics, which are arms producers and close to conflict zones. Those concerned, who often work in a sector connected with the legal arms industry, include weapons factory employees, soldiers and arms dealers.

Spain reports only one gang specialising in arms trading.

Regarding the number of illegal firearms and other weapons that were seized (table 4) a decreasing trend in the totals can be observed in most member States for which statistics for 1998 and 1999 are available. This counts for the Czech Republic, Ireland, Lithuania, Poland, Slovenia and Turkey. The total number of arms seized in 1999 was much higher than the year before in two countries: Moldova and 'the former Yugoslav Republic of Macedonia'. Perhaps the Kosovo conflict has led to a higher level of illegal arms smuggling in the region.

Table 4. Illicit arms seized in Member States in 1998 and 1999

Member state	(Semi-) Automatic firearms		Handguns		Other firearms		Other weapons		Total	
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999
Albania										
Andorra			1						1	
Austria										
Belgium										
Bulgaria	18				169		7		194	
Croatia	446		924		964		146		2,480	
Cyprus	10	7	11	6	10	127	0		171	
Czech Republic	11	22	64	58				1	155	116
Denmark										
Estonia										
Finland										
France									305	
Georgia										
Germany	21								424	
Greece										
Hungary										
Iceland				1		15		8		24
Ireland	30	7	96	121	600	550	18	62	1,422	740
Italy										
Latvia		2		53		39		3		94
Liechtenstein										
Lithuania		43		39		210	20		683	326
Luxembourg									30	
Malta		5				3				
Moldova	9	14	11	12	587	168	233	784	840	978
Netherlands		80		1,350		173		12		1,534
Norway	33		465		237		370		1,105	
Poland		73		479		153			2,571	2,283
Portugal	34		18		16				68	
Romania	10		13		10				33	
Russian Federation										2,169
San Marino										
Slovakia										
Slovenia	222	218	432	504	169	167	267		1,979	889

Member state	(Semi-) Automatic firearms		Handguns		Other firearms		Other weapons		Total	
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999
Spain Sweden		2 809		754		109	7,446	8 829	11,004	12,501
Switzerland										
Turkey	71	121	651	1080		130			2,053	1,331
'The Former Yugoslav Rep. Of Macedonia'	53		343						1274	2610
Ukraine										
United Kingdom										

2.7 Armed bank robberies

Nordic countries (Denmark and Iceland) report violent acts committed by outlaw motorcycle gangs (OMGS) such as Hell's Angels and Bandidos.

Owing to the widespread use of cash in Poland, attacks there are carried out far more frequently on security vehicles than on banks. Armed robbery is also a serious problem in Turkey. In Greece, however, the trend has reversed, with fewer reports of armed robberies and burglaries.

In other countries, organised criminal gangs do not appear to favour this kind of violent activity. Of 1,296 armed attacks in Germany, only 54 reportedly had any connection with gangs. The situation is similar in Spain and the Netherlands.

Table 5. Armed bank robberies in 1998 and 1999

Member State	1998	1999
Albania		
Andorra	0	1
Austria	30	
Belgium	207	
Bulgaria		
Croatia	28	
Cyprus	3	7
Czech Republic	47	19
Denmark	131	97
Estonia	4	3
Finland	21	11
France	677	
Georgia		
Germany	1,300	

Member State	1998	1999
Greece	116	
Hungary		60
Iceland		
Ireland4		17
Italy		
Latvia		1
Liechtenstein		
Lithuania		6
Luxembourg		
Malta		2
Moldova		
Netherlands	179	140
Norway		64
Poland	40	46
Portugal	67	
Romania		
Russian Federation		
San Marino		
Slovakia		8
Slovenia		9
Spain		1,018
Sweden		
Switzerland	30	
'The former Yugoslav Rep. of Macedonia'		10
Turkey	31	
Ukraine		
United Kingdom		467

2.8. Extortion and kidnapping

A few countries report problems of this nature. With the exception of Spain, where extortion and kidnapping have increased by 100% and involve eight gangs, all the countries concerned are in Eastern Europe. 24 of Hungary's 76 gangs are active in this field, and the Czech Republic too has to deal with such activities carried out by gangs from the Russian Federation and Ukraine. Unstable businesses have been obliged to accept loans on extremely unfavourable terms. In the Russian Federation, seven of the twelve gangs prosecuted in 1999 were involved in extortion and armed robbery.

4 The figure presented refers to the number in the first 9 months of the year.

2.9 Illegal immigration

There are more than 380 million people living in Europe. Over the next few years the European Community will have to take up between 300,000 to 600,000 immigrants every year, including 250,000 from the former Eastern Bloc. Between 1980 and 1992, about 15 million foreigners settled in the European Community, 45% of them came from Africa, Asia, Latin America and Turkey. Since the fall of the Iron Curtain in 1989 the biggest migration since 1945 has been taking place. According to Russian estimates, 1,5 to 2 million citizens are ready to emigrate for economic reasons. Additional 5 to 6 millions are 'considering' emigration. These are the large demographic challenges which also have an impact on organised crime (Holyst, 1995).

The main reasons for the ever-increasing migration movement are:
- No noticeable improvement of the economic situation;
- The wish for better social living conditions;
- Political instability and fear of the future;
- More crimes of violence (cold-blooded criminals commit murders, robberies, blackmail without regard to the victims in order to satisfy their greed for money);
- The increasing destruction of the environment and the resulting restriction of living space;
- Political tensions, e.g. civil wars;
- Violations of human rights by totalitarian and dictatorial regimes;
- The population explosion in the developing countries: in the year 2010 approx. 1,4 billion people will live in developed areas as opposed to approximately 6 billion people in underdeveloped areas (Edelbacher, 1996).

The following changes can be seen. A high proportion of crime committed by foreigners is due to the great mobility of the criminals. There is a higher proportion of foreigners among criminals. There is an increase in types of organised crime, including violent crime (Edelbacher 1995). The number of illegal immigrants residing in the European Union is estimated somewhere between 4 and 6 million people (Europol, 2000). Some sources point out that the involvement of organised groups in this form of crime could vary from 10 to 50% depending on geographical and political factors. Criminal groups who are involved in illegal immigration activities tend to be ethnic oriented. The main income obtained by the smugglers comes from the fees paid by the immigrants. The prices paid range from USD 500 to 20,000. Immigrants can be exploited in the illegal labour market, can be forced to prostitution or drug smuggling. Transit routes for illegal immigrants are the Balkan route for Eastern Europeans, Poland for migrants from Belarus and Asians, Hungary for migrants from Eastern Europe and Asia. The Czech and Slovak Republics also serve as transit points. Green borders are preferred for illegal border crossing. Austria, Belgium, France, Germany, Greece, The Netherlands, Italy, Spain, Sweden and the United Kingdom are destination countries. The Kosovo crisis led to a significant increase in irregular migration.

A study developed by the United Nations High Commission for Refugees (UNHCR) states that among 32 European countries, the number of asylum applicants has increased by 19,1%. In the European Union itself, the increase is 18,6% (366,600 applications; UNHCR, 2000). The main

countries of origin of asylum seekers in the European Union are Albania, The Federal Republic of Yugoslavia (often Kosovo Albanians), Iraq, Afghanistan, Turkey and Somalia, together with Iran, China, India and Sri Lanka. People smuggled from China and South Asia often go underground immediately or depart for an unknown destination after having applied for asylum. Very often extortion is connected with immigration. These cases very seldom are reported to the law enforcement agencies.

Table 6. Illegal entries in 1998 and 1999

Member State	1998	1999
Albania		
Andorra	313	
Austria	4,569	42,812
Belgium		
Bulgaria	7,744	
Croatia	2,591	
Cyprus	52	213
Czech Republic	7,530	44,000
Denmark		348
Estonia		36
Finland		58
France		
Georgia*		28
Germany*		2,163
Greece	146,295	595
Hungary	18,017	6,499
Iceland	16	
Ireland	2,288	3,456
Italy		
Latvia		
Liechtenstein		16
Lithuania	483	349
Luxembourg		
Malta		611
Moldova		70
Netherlands		27,900
Norway	5,900	10,160
Poland*		5
Portugal		
Romania		
Russian Federation		
San Marino		

Member State	1998	1999
Slovakia		7,888
Slovenia	13,740	18,571
Spain		40,850
Sweden		
Switzerland		11,000
'The former Yugoslav Rep. of Macedonia'	6,772	3,736
Turkey		47,579
Ukraine	11,820	116
United Kingdom		35

* The statistics for Georgia, Germany and Poland do not refer to persons but to facts or cases

Situation in Austria

The number of persons smuggled into Austria, who entered the country illegally, and who stay in Austria illegally has risen dramatically in 1999 compared to the year before. In 1998 in total 19,693 persons were discovered, and in 1999 the number almost doubled to 42,812. The enormous increase of detected illegal immigrants compared to 1998 is to a large extent due to stronger migration movements of Yugoslav nationals from the Kosovo region, to Romanians, and also to migrants from the Middle East (Iran, Iraq, Afghanistan) and from countries of the Indian subcontinent.

The analysis of the Austrian Ministry of the Interior about „illegal migration" from June 1997 reports that in the first half of the year 1997 in 2,330 cases 6,241 illegal immigrants could be arrested at the Austrian borders (Chytil, 1997). In the first half of the year 2000 in 2,084 cases only 5,557 illegal immigrants were arrested. Illegal immigrants are crossing the borders on foot (34%), by train (22%) by private car (17%) and by bus or taxi (15%). The immigrants are crossing the borders of Austria from Hungary (48%), the Czech Republic (14%), the Slovak Republic (9%), Germany (8%), Slovenia (5%) and Italy (4%). The analysis shows that the criminal organisations change their tactics crossing the borders by the activities of the Austrian border police. Mainly there are two possibilities of transfers. Firstly illegal immigrants are brought by cars near the border and are told to move by themselves across. The illegal immigrants are informed about the „best ways", how to cross the border. Secondly illegal immigrants are covered with counterfeit documents and try to pass the border controls by these documents.

2.10 Trafficking in human beings and prostitution

The trafficking of women for sexual exploration has become a major worldwide concern over the past few years. It is currently estimated that around 700,000 women are trafficked annually into and out of countries in Europe, the Middle East and Asia (United States Immigration and National Service). A general trend in recent years is the increase of victims from Central and Eastern Europe trafficked to the European Union. Countries like Austria, Germany, Switzerland

are more affected by trafficking in human beings from this part of Europe. The majority of these women are put to work in the sex industry.

Trafficking in human beings is very profitable for the criminal organisations. For example in Vienna there are established about 150 brothels and nearly 120 nightclubs. More than 2,000 women are working as illegal prostitutes in these brothels and nightclubs. Eighty to eighty-five percents of them are foreigners. Police experts estimate that in the whole Vienna area more than 4,000 illegal prostitutes are active. A great number of these women are brought by criminal organised gang groups to our country or to the neighbouring countries like Germany, Switzerland or Italy. It is estimated that about 10 million USD are earned each year by these criminal organisations. In Germany, profits from this area of crime were reported to be around DEM 74 million, approximately DEM 1.4 million per group.

The modus operandi used by the criminals engaged in trafficking in human beings show similarities irrespective of the country or region from which the victims are trafficked. However, differences exist depending, for example, on visa restrictions and travel opportunities. The known ways victims are recruited include friends and acquaintances; commercial media; bars, discos and nightclubs; and marriages of convenience. In Austria for example pimps are primarily from Austria, Turkey, Bulgaria, Albania. Victims tend to be female and the age range is in general between 18 and 30 years. However, information indicates that much younger female victims, as young as 13 or 14 years old, have also been trafficked. According to the statements of several prostitutes, “training houses” are used, to break any resistance that the young women destined for prostitution might have.

But it is nearly impossible to investigate and detect these criminal organisations, because of the lack of efficient witness protection programs. If the police arrest illegal prostitutes they do not speak about the organisation they are working for. If such an arrested prostitute informs the police about the structure of organised criminals she loose her job, her income and her home. So it makes no sense for her to confess what is going on.

Not many member States reported on trafficking in human beings and/or prostitution. In the Czech Republic 26 and in Hungary 16 criminal groups were involved in illegal migration for prostitution purposes. Slovenia and Turkey mention the number of suspects: 751 and 187, respectively. The Switzerland 46 cases were discovered in 1999, whereas in Germany there were 89 cases of trafficking in human beings, which were related to nightlife criminality. Poland reported 3 cases of illegal adoption and additional 3 cases of kidnapping/prostitution. In Liechtenstein, 3 persons were arrested for trafficking in human beings for sexual purposes.

2.11 Child pornography

Child pornography includes the production, distribution, exportation, transmission, importation, intention, possession and advertising of child pornography (Vienna Commitment against Child Pornography on the Internet, 1st October 1999, Chapter II, point 3). As practical experience shows, Internet is used extensively for providing and selling pornographic material. Child pornography, sexual services, advertising contacts on the Internet is a growing problem. A report of the Austrian Ministry of the Interior about the 1st half of the year 2000 shows that reports on child pornography more than doubled recently: 676 cases were reported between January 1st and June 30th, 2000, compared to 504 cases in 1999. In the country reports little is mentioned about this problem. Only the contributions from the Czech Republic and Greece mention child pornography, albeit in limited numbers: 2 to 3 cases in the Czech Republic and 5 in Greece. In recent years there have been examples of the production of child pornography in Belgium, Czech Republic, Denmark and the Netherlands. Mainly the possession of child pornography, in which people have downloaded images from the Internet, can be proved.

2.12 Illegal gambling

Quotation from Theophrastus: "Gambling is the greatest passion of the human soul, it is the master of passion". Gambling and the gambling industry are elementary expressions of life, basic phenomena of human existence. Gambling is one of mankind's commonest occupations. Its origin can be found in the mysteries of the past. Anthropological studies have shown that our forebears were just as involved with gambling as people in modern society. The fascination with gambling lies in a fascination for magic, religion and fortune telling (Fiorentini & Peltzman, 1995).

The fascination of striking lucky and making a fast buck naturally attracts the underworld. Gambling has always been accompanied by crime. Gambling has supported all forms of crime from deception and theft to murder. Illegal gambling and prostitution are the backbone of organised crime. Where illegal gambling is expanding, we can see further facets of criminal presence: dubious neighbourhoods (night life, prostitution); a tendency towards acts of violence (blackmail, gang warfare between gambling organisations with the gamblers themselves often the victims) and loan sharking (extortionate rates of interest).

Gambling is hardly mentioned in the national reports as an activity of organised crime groups. Cyprus mentions the fact that illegal gambling occurs in 34 establishments on the island. On the island of Malta, 21 persons were charged with this offence in 1999. In Slovenia, there was only one case of illegal gambling discovered by the authorities.

2.13 Environmental Crime

Environmental crime is becoming an enormous source of income for organised criminals. If soft information is correct, Italian Mafia organisations shall have sent more than 20 ships to the bottom of the Mediterranean Sea with hazardous waste and nuclear material. Organised criminal groups have done similar harm to the Danube in Europe by dumping of toxins into the Danube. Environmental crime is a multi-facetted concept. It includes: Trafficking of endangered species,

dumping of toxic or hazardous waste, use of, or trafficking in, ozone depleting substances (Europol, 2000). The total annual global trade in animals, plants and their by-products is currently estimated to be around USD 20 billion and it has been suggested that around a quarter of this trade is illegal. Any global estimates of illegal trading in endangered species and hazardous waste are probably more than guesses (Clifford, 1998).

In Denmark, there were 591 reports on environmental crime in 1999. Other member States where this type of crime was mentioned in their national reports were Germany (3 cases), the Netherlands (9 cases, 14 offenders) and San Marino (1 case).

2.14 Computer crime

It is believed that the 21st century is the information century. Information is spread by computer technology. Consequently computer crimes are spreading and are a new field for criminals. Computer crimes deal with unauthorised access to and illicit tampering with systems, programs or data. Examples of high technology/computer crime include**:** hacking/cracking; assaults on computer networks; denial of service; viruses and other malicious programs; internet fraud; money laundering; intellectual property offences; procuring or prostitution; internet paedophilia rings; illegal virtual casinos, gambling (Europol, 2000). Intruders are using increasingly automated tools to probe for and exploit vulnerabilities in computer systems and to gain unauthorised access. Automated hacking tools account now for a larger number of successful intrusions.

Cyberspace is becoming more dangerous for financial institutions because of greater vulnerability of financial institutions to intrusion via Internet, greater opportunity for thieves to steal customers identifying information's, more places to look for stolen digital data. "Classic" intrusion-scenarios: Attackers break into corporate networks; they break into web sites, and disgruntled employees (extortion accomplished by encryption). Keys to investigate "classic" intrusion can be: identify whether your intruder is an "insider" or "outsider", determine the seriousness of the threat, and weigh the benefits of apprehension versus the risk of loss (Association of Financial Crime Investigators, 2000). E-Commerce provides fraudsters a new vehicle to commit crimes. The challenge of E-Commerce is based on the ability to commit more of the crimes faster and with greater anonymity; the proliferation of on-line instant credit creates new fraud opportunities.

Member States that refer to computer crime in their national reports are the Czech Republic (2 cases), Denmark (3 cases), Finland (3 cases), Greece (3 cases) and Malta (3 cases of hacking).

Section 3 - Use of influence

The prevalence and incidence of bribery are crucial to the organisation of crime and its integration in the upper reaches of political systems. The Council of Europe is aware that statements about the high prevalence of corruption can be viewed paradoxically as a positive feature, reflecting awareness and willingness to be open and to confront problems. On the other hand, statements about low levels of corruption may reflect a thorough and genuine analysis but can also reflect a cultural and at times wilful blindness: this can be as true for wealthy countries of 'the North' as for poorer countries of 'the South'. There are various evaluation procedures, including those of the Council of Europe under 'GRECO' (for corruption) and the PC-REV (for money laundering), for assessing self-evaluations, but we do not have the capacity to do this in this exercise. One can also for some face-to-face forms of corruption use victimisation data, but these do not enable us to distinguish between organised crime corruption and the unorganised but pervasive or rotten apple types. Nevertheless, bearing these difficulties in mind, we collate the national reports below.

The Czech report states that bribery is often a first step and an alternative to intimidation or extortion, and that bribery may be used in a variety of contexts for private as well as public sector personnel. The number of pending cases and offenders has increased, as has their skills. In Slovakia and Slovenia, bribery was found in all areas of criminal justice, media and public administration, though the Slovenian report makes the valuable distinction that these efforts have penetrated only the lower levels of the structures, and that – as far as can be judged – the judicial system and mass media have experienced only unsuccessful attempts. In Denmark, Finland and Norway, as is consistent with their high integrity ranking in the Transparency International trans-national bribery activities. There were no corruption cases recorded (except for two cases of Finnish groups who were believed to have bribed officials in Estonia), and the use of improper influence was restricted to intimidation against justice officials and their families, which was reported in both countries. In Sweden, also, though attempts were made (and made increasingly) in all areas except politics, the effectiveness was low. In Latvia, the volume of recorded bribery is very low, but attitude and victimisation data suggest that it is both high and perceived to be high: over two thirds of the population believe that corruption in different areas of officialdom is happening or is very common. In Ireland, though there are currently major investigations going on in relation to accusations of corruption involving former ministers, no instances were reported of bribery or corruption in any areas. In Georgia, there were instances of corruption in the business sector and law enforcement. In Ukraine, there were 2,448 bribery cases detected in 1998 (1999 data not being available yet) – the subject of a rising trend throughout the 1990s – and though the report does not break these down by type, they cover a broad range of public administration and law enforcement roles. The thousands of protocols issued by the government illustrate the scale of the problems. In Hungary, some 15 organised crime groups have attained some illicit influence in politics, public administration and telecommunications: law enforcement and public administration

are the areas most commonly penetrated. (Although the figures are not large enough for statistical significance, levels of corruption in business and law enforcement appear to have fallen.)

In Germany, out of the 816 organised crime investigations, in 49 (6%), improper influence was properly established against German public administrators, with a further 34 cases of corruption overseas. In 7 cases in Germany and 8 abroad, influence was exerted on the justice system, with a slightly lesser number of cases on private enterprise, media and politics respectively. In Italy, by contrast, corruption and bribery were exercised in relation to all spheres of public administration, law enforcement and the media, as part of a general effort to mould public opinion as well as generate favourable decisions: this has necessitated intelligence efforts to try to stop organised crime infiltration. In San Marino, only three bribery offences and one bribe to a judge were registered in 1999. Greece had no recorded cases of police officers being corrupted in the context of organised crime, but there were cases involving key personnel in customs, immigration and passport control. In Turkey, corruption was experienced in all areas of society.

Section 4 – Use of violence

4.1 General picture

In 1999 explosions in night clubs, car blow-ups and homicides were observed in several regions of Greece, which have puzzled the authorities as to whether or not they should be classified as activities of organised crime groups. For other incidents the link with organised crime was clear, for instance the settlement of accounts between Greek and Albanian criminal groups and armed clashes between felons and law enforcement officers.

Although the authorities in the former Yugoslav republic of Macedonia is still building up a system of statistics on organised crime, they already registered a number of criminal groups who are involved in violent crimes, such as planting explosives and setting fires. These violent methods are mostly aimed at persons who are not part of the criminal world. They are applied to force payments, racketeering, blackmailing, etc., but also for intimidation and fights between the members of the same or different criminal groups, usually involved in the illegal narcotics trade. The trend is towards an increase of criminal violence.

The Swedish authorities report a tendency where known violent criminals are increasingly linked to criminal networks. Exact data on violent incidents that took place in 1999 are not available. Nor in Denmark it is possible to directly trace the use of violence in connection with the practice of organised crime, since in view of the environment in which it takes place, crime is seldom reported to the police. However, on the basis of information of which the police have only rarely been able to obtain evidence, there is a clear indication that persons involved in biker circles threaten particularly vulnerable individuals in order to induce them to work for them.

According to the Romanian contribution, the evolution and the dimensions of organised crime point out that the whole country is facing a continuing increase of great violence acts. Homicides committed as settlement of scores between different criminal groups or to ensure their territorial supremacy, especially in collecting 'protection fees', continue to rise. Also in Latvia, the threat of violence by organised criminal groups is growing. There have been some cases in which the threats were fulfilled, for example by blowing up vehicles, explosions in houses and offices, murders, etc. In sharp contrast to these tendencies, the internal structure and character of criminal groups in Estonia seems to be changing from 'violent gangs' to white-collar crime. To become a leader of a criminal group one needs more and more 'brains' instead of 'muscles'.

4.2 Violence inside groups

Many member States, including the Czech Republic, Hungary, Georgia, Estonia, Finland, Italy, the Netherlands, Luxembourg, Poland and Ukraine mention the use of violence as a means of disciplining members of the group or settling disputes within the group or with other groups. In

Italy all Mafia type organisations take recourse in the use of violence. Almost all of the groups active in Finland have an internal discipline of some degree, mainly based on violence and/or extortion. Most often the threat of violence has been enough to maintain discipline, and violence has been used only in a few cases. It seems however that real violence within the groups has increased. Organised groups in the Czech Republic often use extortion, intimidation and actual attacks (e.g. using bombs). However, violence is mostly committed within foreign groups. The most common methods used by criminal organisations in Estonia are intimidation and the use of physical force against persons. It is very common in all organised crime groups to use violence inside the group in order to maintain internal discipline. A group composed of Azerbaijani uses the rudest methods.

According to information from the Hungarian authorities, threatening and/or some form of brutal force can be confirmed in the activities of 29 of the 76 organised crime groups active in the country. Within the organisation 8 groups use brutal force to manage and direct operations, force individuals to co-operate and maintain discipline within the group. 12 groups use brutal force against other criminal groups in order to wipe them out or at least drive them out of their own territory. The available information seems to confirm the assumption that only groups that use brutal force can survive. Judicial actions against such groups is significantly harder, because in the absence of adequate witness protection procedures the threats and actual violence used by them make it more difficult or even impossible to prove a particular crime.

According to the Dutch contribution, almost half of the organised groups investigated in 1999 applied negative sanctions against members. Actual violence occurred in 36 cases (31%) and threats of violence in 15 cases (30%). Liquidations of group members (including attempts) were reported in 13 cases (11%) and kidnapping or hostage taking in 11 cases (9%). Evidence of the threat and use of violence is most often found in investigations of drugs trafficking groups.

In recent years there were many cases of the use of violence by organised criminal groups in Poland. During 1999 there were signs of the intensification of a 'war of gangs', i.e. an increasing number of shootings and bombings as the means of settling disputes and a tool in the rivalry between certain groups wishing to control particular territories or to monopolise illegal markets. Bombings, which serve the purpose of dispute settlement often, cause casualties. Bombings and arsons, which are meant to intimidate people outside the criminal world, usually lead to property damage only. There seem to be groups and individuals who specialise in providing this kind of services to other criminal organisations. Last year there were 187 explosions caused by bombs in Poland. The main targets were cars (46), private houses (28), apartment houses (20), shops (11), restaurants, bars, etc. (11), discos (9) and small, private businesses (9). The bombings resulted in 21 people dead and 49 injured. Violence by the use of firearms also increased, including homicides by hired killers and 'collective executions'. The phenomenon indicates that there is a growing competition between criminal groups, who are fighting for their 'turf'. Furthermore, it seems that an older generation of leaders is slowly eliminated and replaces by younger, much more violent and ruthless criminals.

4.3 Violence outside groups

In general, there are three purposes for using violence outside groups, namely a) the demonstration of power and intimidation of people, b) intimidation and exerting pressure on members of particular professional groups like customs officers, policemen, prosecutors and judges, c) elimination of persons endangering interests of the criminal world or of witnesses.
In Italy, the Mafia has mounted a specific propensity to plan and systematically realise the use of violence, even of a terrorist nature, with the aim of disrupting social order. But also foreign criminal groups use violence more and more. They apply violence in order to gain control over areas of crime considered most profitable, often connected to the smuggling of immigrants. Especially the groups originating from the other side of the Adriatic Sea show an aggression that takes on alarming proportions.

Use of violence against those outside the criminal world is not so common in Finland as inside criminal groups. It concerns most often only threat, but in some cases particularly debtors have been assaulted in order to reinforce debt recovery. These cases seem to have increased from the past. Norway also noted an increase in criminals using violence and threats in order to protect their interests, though this member state does not have any exact statistics on these incidents either. The use of violence is mainly exercised within and between criminal groups, although innocent outsiders also have come to harm.

In Ukraine, the native criminal groups use violence to receive ransom, payments for 'protection'. Besides, they use violence during armed robberies. Ukrainian groups use violent methods in attempts to influence rivals and for the redistribution of the spheres of influence to their own organisation. Georgia reports that criminal groups sometimes use intimidation or physical violence against individuals outside the criminal world. Also in the Czech Republic, violence is used very rarely, but when it occurs, it is in particular against tax authorities. Tax fraud offenders deploy pressure or intimidate these officers. However, no personal attack has been recorded. Violence against individuals outside the criminal group is decreasing in Estonia during recent years.

In thirty of the 118 investigations (25%) on organised criminal groups carried out last year in the Netherlands reference was made to the use of sanctions of people not belonging to the criminal organisation itself. Of the 79 criminal organisations operating in Hungary, 22 have been known to use force against individuals not participating in organised crime. It is becoming increasingly typical for groups that smuggle immigrants to intimidate the persons that are transported across the borders, maintain their sense of insecurity or limit their personal freedom. The smuggled individuals are often endangered in a way that can cost lives (overloading boats, selling trucks airtight to avoid detection, etc.). In addition to corruption, they also tend to address law enforcement officers in an aggressive manner.

4.4 Homicides

Only a very small number of the homicides committed in Greece in the year 1999 could be connected to organised crime, either in the framework of the settlement of accounts between Albanian groups, or in the framework of the competition between rival groups for the control over nightclubs and the trafficking of narcotics. Two thirds of the suspects in murder cases (including attempted killings) were Greek, but almost a quarter was Albanian. In August 1999, the Greek police arrested a Russian criminal who allegedly was the organiser and executioner of a criminal group. He is suspected of having committed a large number of crimes, including murders and forgeries. At the same time this individual was deputy chairman of the board of directors of a corporation involved in the hotel business.

In Germany, a total of 32 homicide offences (including criminal attempts) were registered in the context of organised crime. The exact number of victims is unknown. Evidence of a liquidation or attempted liquidation was reported in 20 investigations against organised criminal groups in the Netherlands. However, there is no information on the exact number of victims. From a different source comes the figure of 12 individuals liquidated last year. Cyprus reports that in the last 12 years there were only 24 murders, out of which only a few were directly related to organised illegal activities.

Both in Ireland and in Slovenia, an organised crime group killed one person in 1999. In addition there were 4 attempted murders in Slovenia. Experts estimate that in 1999 organised crime groups killed 15 people in the Czech Republic, and there were 10 attempted murders. Last year Moldova experienced an increase in the number of killings, attempted homicides and serious injuries. However, it is not quite clear to what extent this can be attributed to organised crime groups.

Table 7. Use of violence by organised criminal groups

	Inside the criminal world		Outside the criminal world		Number of people killed			
Member State	**Intimidation**	**Physical violence**	**Intimidation**	**Physical violence**	**in 1996**	**in 1997**	**in 1998**	**in 1999**
Albania	X	X	X	X				
Andorra								
Austria	X	X	X	X		1	≥1	
Belgium	X	X	X	X	15	28		
Bulgaria	X	X	X	X				
Croatia								
Cyprus	X	X	X	X		0	3	3
Czech Republic	X	X	X	X				±15
Denmark					3	2		
Estonia	X	X	X	X	±10	2	2	±25
Finland	X	X	X	X	1	1	1	4

	Inside the criminal world		Outside the criminal world		Number of people killed			
Member State	**Intimidation**	**Physical violence**	**Intimidation**	**Physical violence**	**in 1996**	**in 1997**	**in 1998**	**in 1999**
France	X	X	X	X	33	47		
Georgia	X	X	X	X				
Germany[5]	X	X	X	X	70	44	63	32
Greece	X	X				4		
Hungary[6]	X	X	X	X		6	≥3	12
Iceland	X	X	X	X			0	0
Ireland	X	X			6	1	0	1
Italy[7]	X	X	X	X	201	190	63	93
Latvia	X		X					
Liechtenstein								
Lithuania	X	X	X	X				12
Luxembourg	X	X				0	0	0
Malta	X	X	X	X			0	
Moldova	X	X	X	X		6		
Netherlands[8]	X	X	X	X		66	35	≥12
Norway	X	X	X	X	1			
Poland	X	X	X	X		20	≥20	>21
Portugal	X	X	X	X			0	
Romania			X	X			4	4
Russian Federation	X	X	X	X		>130		
San Marino								
Slovakia	X	X	X	X		30	45	
Slovenia	X	X	X	X	8	8	2	1
Spain	X	X	X	X	10		9	4
Sweden	X	X	X	X				
Switzerland	X	X	X	X			76	
'The former Yugoslav Rep. of Macedonia'			X	X				
Turkey	X	X	X	X				
Ukraine	X	X	X	X			≥18	
United Kingdom	X	X					28	

5 The number of persons killed includes criminal attempts.

6 The number of persons killed in 1999 includes criminal attempts.

7 The number of deaths in 1998 only refers to homicides by mafia associations.

8 The 1998 figure refers to homicides within the criminal world, whereas the number for 1997 also includes other homicides by criminal groups.

Section 5 - Investment of the proceeds of crime

Apart from information-gathering problems – which are related to confidentiality/secrecy provisions and resources – the level of laundering within a country depends on what is done to combat it. It should therefore be seen as a dynamic process. Many member States' reports on money laundering identified the difficulty of identifying the predicate acts as one of the key problems in implementing their money-laundering legislation (though this may be an artefact of the way their laws have been drafted). Where mention was made of the sources in their cases – in Luxembourg, for example – it tended to be fraud rather than drugs in the case of the Western and Central European countries. The Czech reports suggests that (in their view, unusually) most of the proceeds destined for laundering come from serious economic crimes rather than from drugs trafficking. The more unusual modus operandi includes auction sales, purchasing by intermediaries. In Poland, illegal capital is invested in bureaux de change, pawnshops, the sex/tourism industries, horse stud farms, real estate and the construction business. There are also more conventional method such as transfer pricing followed by integration from loan-backs on the basis of assets held in offshore finance havens. It is estimated that a total of $2.3 million has been laundered in Poland during 1999.

In Finland and Ireland, almost half the groups were known to launder money and to use as cover companies that are often also used for the illegal purposes themselves, such as transportation, motor trading, catering and export/import business. (In Ireland, the purchase of betting firms and licensed premises were also stressed as laundering conduits.) The international nature of suspected money laundering is illustrated by the fact that a third of the people subject to suspicious transaction reports in Finland were foreigners, especially Russians and Estonians. In Lithuania, criminals tend to invest in insurance, tourism, and the leisure industry, using front people without criminal connections. In Latvia, money laundering was criminalized only in April 1999, so there are no cases as yet, but the registration of real estate in the names of false identities and the use of offshore companies are mentioned as common laundering techniques. Likewise, in Georgia, though money laundering is included in the criminal code, there were no laundering cases initiated, and no statistics were kept of any kind. For legal and institutional reasons, Moldova had no laundering cases of any kind, nor (accordingly) were there any seizures or confiscation, but the full range of means were used to launder proceeds of crime, whether originating there or elsewhere. In the former Yugoslav Republic of Macedonia, there was one money-laundering prosecution. This involved a genuine trading company which by-passed the entire formal registration and taxation system and whose profits of 17 million dinars were then deposited in a bank as the deposits of fictitious people, being used to pay employees' salaries in cash, saving the business the cost of social security contributions as well as tax. The Ukraine authorities estimate that organised crime gangs control no fewer than 1,200 national commercial structures. Some laundering is achieved or avoided there (and in other countries in transition) by means of barter operations, or unauthorised transfers out of the country (which itself is an

offence) by cash smuggling, transfer pricing or even fictitious invoicing to offshore companies, to non-Ukrainian individual accounts inside and outside the country, and to foreign bank accounts held illegally overseas. Foreigners use shell companies based in Ukraine to launder their money, performing to beneficial functions to the Ukraine economy.

Luxembourg takes the view that very little organised crime takes place within its territory, but has acted to regulate letter box companies which do not have any real functional existence. Much of their identified crime-trade appeared to consist of VAT-fraud and other scams involving neighbouring EU countries. More generally, Luxembourg, in common with many other offshore finance centres that are not major trading or production powers, might be expected to receive far more requests from overseas about businesses registered there than it does internally generated enquiries. But this is not so, though the data do not enable us to infer the extent to which Luxembourg's requests were follow ups on requests they themselves had received: in multi-site laundering cases, there commonly is a chain of corporate holdings which have to be traced through. (In 1999, there was a slight fall in the amounts of funds seized.) Furthermore, it is difficult to know whether or not the cases in mutual legal assistance requests represent organised crime in the requesting country, so from that perspective, the cases in many offshore finance centres may have an uncertain relationship to 'organised crime' in the conventional definition of that term. (In a common sense way, all crimes that involve the establishment and use of offshore legal entities may be understood as being 'organised', but the definition requires the offender group to be involved in crime long term: see the earlier discussion in the report.)

In Greece, efforts were made to launder money through banks and through the purchase of real estate domestically. In Germany, commercial structures were used within Germany in 268 cases, and abroad in 82 cases. The question of how many groups should be seen separately from the number of areas in which crime groups invest, since some may invest in a variety of areas. In Slovenia, for example, the most common avenues for criminal investment were tourism and real estate (with 40 crime groups each), followed a long way behind by the next area – night clubs/sex industry – which had only three groups. Interestingly, there was no knowledge of criminal investment in the banking, construction and real estate management areas. In Turkey, also, the tourist industry was the most popular outlet for laundered funds, along with construction, transportation and export/import businesses. More modest penetration was achieved in financial services, car dealing and gaming. In Hungary, the dynamic changes in the national economy have led to economic pressure and reduced profit margins for organised crime economic activities. This has been affected also by the higher enforcement profile which, combined with competitive pressures from other new organised crime gangs, has allegedly made it harder for them to profit from frauds and from tax and excise evasion. In Hungary, some 664 companies or organisations are linked to organised crime, of which 29 (not all of them genuine trading firms) are fronting for organised crime groups directly.

Italian organised crime groups have considerable capital at their disposal, which is available for internal reinvestment – an approach that reduces the costs of laundering externally. They make use of all three forms of corporate abuse, namely: pre-existing legal firms, in which several

employees co-operate with organised criminals; mixing of legal and illegal activity within the company; and use of front companies, including those offshore, almost empty of any real commercial activity.

There is increasingly a grey area that is very difficult to investigate, consisting of completely legal companies, operating in the most disparate economic sectors, which administers funds that have already been laundered. This corresponds to the full integration phase of the laundering cycle. There is some debate as to whether, to the extent that the owners intend to run these as legal business, these corporate forms should be considered as very dangerous or not. They plainly act as a role model for aspiring organised criminals, and to that extent have to be suppressed.

The numbers of reports on suspicious transactions are presented in table 8. In most member States, the trend over the last years is clearly increasing. To what extent this should be attributed to an improvement in the registration is not known, although in some countries (e.g. the Netherlands) a change in the legal obligation to report unusual or suspicious financial transactions is a primary causal factor for the rising numbers.

Table 8. Reports on suspicious transactions, 1995-1999[9]

Member State	1995	1996	1997	1998	1999
Albania					
Andorra	5	3	8		
Austria	310	301	239	254	
Belgium10	3,926	5,771	7,747		
Bulgaria					
Croatia					
Cyprus		55	32	37	
Czech Republic11		103	1,200	956	1,699
Denmark	174	254	309	357	337
Estonia					56
Finland	190	232	209	186	348
France	866	902	1,213		
Germany	2,935	3,289	3,420	3,543	4,137
Greece			38		
Hungary			406	1,010	930
Iceland		<10		< 30	
Ireland	199	378	504	1,202	1,421

[9] The statistics for Andorra, Malta and Poland refer to investigations.

[10] These figures concern not only money laundering cases, but also receiving (of stolen goods) cases, because in the Belgian legislation both are incriminated under the same paragraph.

[11] The figures refer to unusual rather than suspicious transaction reports.

Member State	1995	1996	1997	1998	1999
Italy	2,961	3,218			
Latvia					
Liechtenstein					20
Lithuania			30	29	66
Luxembourg	77	78	64	108	
Malta	11	12	5	13	
Moldova					
Netherlands	2,994	2,572	3,795	3,995	10,803
Norway		164	727	840	788
Poland		8	18	17	
Portugal	85	115	129	106	
Romania					
Russian Federation					
San Marino					
Slovakia			106	107	
Slovenia		53	376	69	81
Spain		42	734	869	
Sweden		502	909		1,512
Switzerland			58	160	370
'The former Yugoslav Rep. of Macedonia'					
Turkey		10	12	12	
Ukraine					
United Kingdom	13,170	16,125	14,148		14,000

Section 6 – Trends in organised crime

Illicit drugs trafficking remains a central feature of organised crime activity in most Member States of the Council of Europe. Although the increase in the amounts of drugs seized can - at least partly - be attributed to an intensification of the fight against the smuggling of narcotics, the available statistics on prices and prevalence point towards a continued growth in the illicit drug production and the drug supply to the European consumer markets. Trafficking illicit drugs in Europe is booming business for trans-national organised crime groups. The high profits serve to make organised trafficking extremely durable.

Globalisation has fostered the expansion of criminal networks and illegal transactions. The intensification of economic, social, cultural and political relations across borders was partly facilitated by technological developments and has been sustained by economic and political decisions to give international exchanges freeway (Van der Veen, 1999). Especially important were the political changes in Eastern Europe, which opened up new opportunities for trading goods and for individual travelling, which could easily be misused by trans-national organised crime groups. This is illustrated by the fact that various types of drugs, including heroin, cocaine and cannabis, are more and more trafficked via member States in Eastern Europe to the major consumption markets in the Western part of the continent. The number of types of illicit drugs that are available has increased in many countries.

In the nineties, the synthetic drugs market in Europe probably was the most rapidly expanding of all drugs markets. As consumption is stabilising or even declining in western European countries, more and more amphetamines and analogues are exported to other regions in the world. It is likely that this trend will continue in the near future.

As long as the gap between the poor and the rich parts of the world exists, illegal immigration, smuggling in human beings and prostitution will be among the most challenging problems in the world. The enlargement of the European Union can help to find solutions by harmonisation of the immigration- and asylum policy. It will be very important to get control over the push and pull factors. Especially economical support will help to reduce harm in the poor countries.

Child pornography, gambling and computer crime are growing because of the anonymity issue. As long as providers cannot be made responsible what they provide it will be difficult to get control about the new information-highways. Child pornography and gambling are based on the dark side and wishes of human beings. In the anonymity to fulfil these wishes the market will grow.

A great danger is the way that environmental crime is handled by the governmental authorities and the societies. Our not acting and loss of responsibility endanger our youngsters. If the economic pressure is so enormous that no government regulation and no international agreement can be found, the environmental problem will stay a major problem in the future.

Chapter III - Measures against organised crime

1. Seizures of illicit drugs and arrests for drugs trafficking

It is difficult to derive trends from statistics on the number of seizures of illicit drugs (table 9). Some member States only report seizures of large consignments, while others apparently register all discoveries of illicit drugs. Statistics on 1998 as well as 1999 are available for only ten countries. Out of these, six member States (Cyprus, Estonia, Moldova, Norway, Spain and Turkey) show an increase, two (Latvia and Russian Federation) a decrease and in the last two (Ireland and Sweden) the figures hardly changed.

The statistics on arrests give a similar picture: in eight of the twelve member States for which the number of arrests for drugs trafficking is available for both 1998 and 1999 the figures have increased. This counts for Cyprus, Denmark, Finland, Latvia, 'the Former Yugoslav Republic of Macedonia', Malta, Moldova and Turkey. Three countries (Russian Federation, Slovenia and Spain) show decreasing statistics, whereas in also two member States (Greece and Italy) there was no substantial change.

2. Arrests and convictions for vehicle theft

Statistics on arrests for vehicle theft in 1998 and 1999 (table 10) show a decrease in four countries (Czech Republic, Hungary, Latvia and Moldova), and increase in two member States (Cyprus and Spain) and no real change in one country (Malta). Due to the lack of data, no conclusions on trends can be drawn from these statistics.

3. Seizures and arrests for illegal arms trafficking

In table 11 statistics are presented on the number of seizures or cases of illicit arms trafficking and arrests for this type of crime. Three member States (Germany, 'the Former Yugoslav Republic of Macedonia' and Moldova) reported less seizures/cases in 1999 compared to the previous year. More seizures/cases were recorded in Cyprus and Slovenia. Regarding arrests, statistics show increases in four countries (Cyprus, Ireland, Moldova and Ukraine) and decreases in two member States (Hungary and Slovenia).

4. Number of cases and arrests for illegal immigration and trafficking in human beings

Data on the number of cases or investigations of illegal immigration (not illegal entries) and/or trafficking in human beings are rare (table 12). Only Hungary reported statistics for both 1998 and 1999. These figures show a sharp increase. Regarding statistics on arrests for this type of crime, Hungary, Czech Republic, Slovenia and Turkey all report higher data for 1999 than for the

previous year. Two member States report lower figures: Poland and 'the former Yugoslav Republic of Macedonia'.

Table 9. Numbers of seizures and arrests for drugs trafficking

Country	Seizures		Arrests	
	1998	1999	1998	1999
Albania			148	
Andorra	159		227	
Austria	6,003		2,198	
Belgium	16,603		23,184	
Bulgaria	156			
Croatia	4,849		291	
Cyprus	283	420	30	318
Czech Republic		510	1,300	3,159
Denmark	10,740		8,900	
Estonia	220	535	531	
Finland	3,929	4,802	8,173	9,287
France	46,609		91,048	
Germany	51,205	51,691	55,922	
Georgia				1,600
Greece			10,973	10,902
Hungary	129	125		
Iceland				
Ireland	7,818	7,222	5,631	
Italy	12,406		33,179	33,180
Latvia		292	82	128
Liechtenstein				3
Lithuania			414	
Luxembourg	533		112	
Malta	157		686	733
Moldova	473	538	111	1,482
Netherlands	5,142		7,700	
Norway	16,736	19,425	13,600	
Poland				3,832
Portugal	7,205		7,329	
Romania	118			1,014
Russian Federation	182,943	177,014	161,578	41,000
San Marino				6
Slovakia	1,062			167
Slovenia		729	1,166	1,036
Spain	81,644	89,109	13,967	13,430
Sweden	15,199	15,197		
Switzerland		30,208		
'The former Yugoslav Republic of Macedonia'	125		186	355
Turkey	969	3,256	6,121	6,819

Ukraine			6,632	
United Kingdom	149,900		127,919	

Table 10. Arrests and convictions for vehicle theft in 1998 and 1999

Country	Persons arrested		Persons convicted	
	in 1998	in 1999	in 1998	in 1999
Albania				
Andorra		12		
Austria			1,846	
Belgium				
Bulgaria	1,492		380	
Croatia	383			
Cyprus	34	51	1	
Czech Republic	4,400	3,369	4,400	
Denmark				
Estonia				
Finland				
France				
Germany				
Greece				
Hungary	1998	1,283		
Iceland				
Ireland			1,927	
Italy				
Latvia	427	220	658	
Liechtenstein				
Lithuania				
Luxembourg				
Malta	54	55	6	
Moldova	196	186		
Netherlands				
Norway	1,441		326	
Poland	5,665			
Portugal				
Romania	69			150
Russian Federation				
San Marino				
Slovakia				
Slovenia				
Spain	14,530	15,978		
Sweden				

Country	Persons arrested		Persons convicted	
	in 1998	in 1999	in 1998	in 1999
Switzerland		4,094		
'The former Yugoslav Republic of Macedonia'				
Turkey		3,903		
Ukraine				
United Kingdom				

Table 11. Seizures and arrests for illegal arms trading in 1998 and 1999

Member State	Number of cases or seizures		Persons arrested	
	1998	1999	1998	1999
Albania			524	
Andorra	1		1	
Austria			1,121	
Belgium				
Bulgaria				
Croatia	1,025		670	
Cyprus	27	109	41	123
Czech Republic	800		900	
Denmark				
Estonia				
Finland				
France				
Georgia		44		
Germany	591	516		
Greece				
Hungary		40	59	25
Iceland				
Ireland	445		2	17
Italy				
Latvia		42		29
Liechtenstein		8		
Lithuania	482		7	
Luxembourg				
Malta				
Moldova	499	442	284	442
Netherlands				
Norway	1,500			
Poland			198	
Portugal	6			
Romania		2,605		
Russian Federation				
San Marino				
Slovakia		692		
Slovenia	1093	1,379	168	133
Spain				

Sweden				
Switzerland				
'The former Yugoslav Republic of Macedonia'	527	240	54	
Turkey			227	644
Ukraine				
United Kingdom				

Table 12. Number of cases and arrests for illegal immigration and trafficking in human beings

Country	Number of cases/ investigations		Persons arrested	
	1998	1999	1998	1999
Albania			86	
Andorra				
Austria				
Belgium				
Bulgaria			949	
Croatia			247	
Cyprus			2	3
Czech Republic			70	100
Denmark		388	510	
Estonia				7
Finland				
France				
Georgia		28		
Germany		2,530		
Greece				
Hungary	558	1,508	379	613
Iceland				
Ireland				
Italy				
Latvia				
Liechtenstein				3
Lithuania				11
Luxembourg				14
Malta				
Moldova				
Netherlands				
Norway				
Poland			60	10
Portugal	17			
Romania				
Russian Federation				
San Marino				
Slovakia				

Country	Number of cases/ investigations		Persons arrested	
	1998	**1999**	**1998**	**1999**
Slovenia			675	751
Spain				
Sweden				
Switzerland	12			
'The former Yugoslav Republic of Macedonia'			45	21
Turkey			41	187
Ukraine				
United Kingdom				

APPENDIX I

Replies to the 1999 questionnaire

Andorra
Belgium
Cyprus
Czech Republic
Denmark
Estonia
Finland
Georgia
Germany
Greece
Hungary
Iceland
Ireland
Italy
Latvia
Liechtenstein
Lithuania
Luxembourg
Malta
Moldova
Netherlands
Norway
Poland
Romania
Russian Federation
San Marino
Slovakia
Slovenia
Spain
Sweden
Switzerland
"The former Yugoslav Republic of Macedonia"
Turkey
Ukraine
United Kingdom

APPENDIX II

Illicit drugs seized in European countries; 1995-1999

Table 13. Heroin

Country	1995	1996	1997	1998	1999
	Kg				
Albania					7
Andorra					
Austria	47	81	165	118	79
Armenia			1		
Azerbaijan		3	1	4	4
Belarus*	2		1	1	2
Belgium	129	140	109	76	74
Bosnia and Herzegovina*				38	1
Bulgaria	208	371	415	220	281
Croatia	38	2	3	51	13
Cyprus		1			2
Czech Republic	5	20	84	252	108
Denmark	37	61	38	55	110
Estonia					1
Finland	16	7	3	2	3
France	499	617	415	344	203
Georgia					2
Germany	933	900	722	686	796
Greece	173	194	146	232	97
Hungary	588	319	206	750	173
Iceland					1
Ireland	13	11	8	38	17
Italy	954	1270	474	710	1,314
Latvia					1
Liechtenstein		9	19		14
Lithuania					1
Luxembourg	13	6	3	4	2
Malta	2	3	5		2
Moldova			10		
Netherlands	351	516	999	784	781
Norway	50	74	56	38	46
Poland	67	46	143	70	45
Portugal	66	47	57	97	76
Romania	54	112	171	412	83
Russian Federation	15	18	40	443	1,011
San Marino					
Slovakia	124	11	146	14	32
Slovenia	18	25	30	46	32
Spain	560	537	479	444	1,159

Country	1995	1996	1997	1998	1999
Sweden	32	40	14	71	64
Switzerland	213	406	209	404	398
'The former Yugoslav Republic of Macedonia'	110	29	15	92	16
Turkey	4,500	4,422	4,200	4,651	3,862
Ukraine	10	4	9	9	22
United Kingdom	1,395	1,072	2,235	1,345	2,032
Federal Republic of Yugoslavia*		563	15		3
Total	**11,222**	**11,937**	**11,646**	**12,501**	**12,970**

* Non-member States having Special Guest Status with the Parliamentary Assembly of the Council of Europe (concerning Belarus, Special Guest Status has been suspended by the Office of the Parliamentary Assembly on 13 January 1997).

Table 14. Cocaine

Country	1995 (kg)	1996	1997	1998	1999
Albania				10	2
Andorra					
Austria	55	73	87	99	63
Belgium	576	838	3,329	2,088	1,761
Bulgaria	8	22	2	686	60
Croatia		2	563	6	2
Cyprus	3				5
Czech Republic	52	27	67	50	138
Denmark	120	32	62	44	24
Estonia				3	
Finland		1		2	2
France	874	1,753	861	1,076	3,687
Georgia					
Germany	1,846	1,378	1,721	1,332	1,979
Greece	9	155	17	284	46
Hungary	19	5	7	26	121
Iceland					1
Ireland	22	648	11	334	86
Italy	2,603	2,379	1,650	2,151	2,915
Latvia	19	5	7		2
Liechtenstein	1		1		
Lithuania	2	1	2	10	
Luxembourg	1	16	9	6	
Malta					1
Moldova					
Netherlands	4,899	9,222	11,489	8,998	10,849
Norway	4	33	5	93	60

Country	1995 (kg)	1996	1997	1998	1999
Poland	383	31	16	21	20
Portugal	2,117	812	3,163	625	823
Romania	16	713	70	1	10
Russian Federation	372	74	248	100	28
San Marino					1
Slovakia	26	15	10	16	26
Slovenia	3	1	4	4	2
Spain	6,898	13,743	18,593	11,688	18,110
Sweden	4	29	34	234	418
Switzerland	262	256	349	252	298
'The Former Yugoslav Rep. of Macedonia'		14			4
Turkey	76	13	10	605	13
Ukraine			627	251	26
United Kingdom	970	1,219	2,350	2,985	2,787
Yugoslav Federation				126	
Total	**22,240**	**33,510**	**45,364**	**34,206**	**44,371**

For information: Monaco: 1 seizure in 1999.

Table 15. Amphetamines and analogues

Country	1995	1996	1997	1998	1999
	Kg				
Albania				1	
Andorra					
Austria	18	10	14	39	11
Belgium	227	80	240	513	176
Bulgaria			390		
Croatia		3		3	3
Cyprus					
Czech Rep.		20		17	26
Denmark	42	32	121	32	50
Estonia		1			11
Finland	21	22	23	26	76
France	189	244	252	451	698
Georgia					
Germany	248	403	464	415	728
Greece					46
Hungary	2		1	11	12
Iceland	5	3	1	3	5
Ireland	37	13	107	209	127
Italy	85	41	50	33	74
Latvia	1			1	
Liechtenstein					
Lithuania					1
Luxembourg		1		3	

Malta					
Moldova					
Netherlands	449	1,250	1,762	1,801	1,780
Norway	55	10	70	215	58
Poland			6	51	55
Portugal		2	19		8
Romania		3	1	1	3
Russian Federation	5	1	18	26	41
San Marino					
Slovakia				10	1
Slovenia	2	2	2	2	1
Spain	228	146	181	251	153
Sweden	281	130	191	140	147
Switzerland	12	20	22	6	78
'The Former Yugoslav Rep. Of Macedonia'					1
Turkey		1	5	1	3
Ukraine				23	6
United Kingdom	1,470	4,075	3,344	2,329	2,506
Total	**3,377**	**6,513**	**7,284**	**6,613**	**6,698**

Table 16. Cannabis (herb and resin)

Country	1995 (Kg)	1996	1997	1998	1999
Albania				2,308	4,500
Andorra	3	2	2	1	
Armenia				47	47
Austria	697	518	915	1,336	451
Azerbaijan	245	78	52	36	55
Belarus	112	71	96	1	
Belgium	70,686	106,690	48,705	9,609	6,046
Bosnia-Herzegovina					133
Bulgaria	94	14,471	127,762	1,528	266
Croatia	39	44	139	20,346	208
Cyprus	46	36	46	130	37
Czech Republic	4,500	11,852	6	7	112
Denmark	2,414	1,772	467	2,686	14,021
Estonia		6	4	5	43
Finland	152	103	210	169	519
France	42,270	66,861	61,116	55,699	67,479
Georgia		3,854			22
Germany	14,248	9,357	11,499	21,008	19,907
Greece	1,219	3,396	19,377	48,321	14,223
Hungary	589	819	2,161	50	71
Iceland	11	49	9	15	42
Ireland	16,677	1,940	1,283	3,218	15,773

Country	1995 (Kg)	1996	1997	1998	1999
Italy	15,399	11,870	60,613	54,522	68,056
Latvia	13	795	24	6	232
Liechtenstein		26	2		4
Lithuania	8	1	8	34	771
Luxembourg	12	31	35	7	5
Malta	1	7,218	2	25	2
Moldova	231	907	436	228	416
Monaco	1	1	2		
Netherlands	335,020	102,951	65,587	126,159	110,341
Norway	19,946	722	979	1,992	1,258
Poland	12,308	2,808	690	1,975	278
Portugal	7,495	5,360	9,693	55,755	10,740
Romania	41	6,589	1,352	225	44
Russian Federation	20,645	19,618	23,864	25,099	34,513
San Marino					
Slovakia	10	24	866	15,371	849
Slovenia	32	40	49	2,775	314
Spain	197,040	261,013	340,218	428,236	431,926
Sweden	527	452	741	496	1,160
Switzerland	807	4,236	7,288	15,001	13,163
'The Former Yugoslav Rep. of Macedonia'	10	133	58	2,301	708
Turkey	17,360	12,294	10,439	9,434	11,086
Ukraine	3,192	1,300	10	10,400	6,000
United Kingdom	58,484	101,805	149,969	107,541	56,483
Total	**842,584**	**762,113**	**946,774**	**1024,102**	**892,304**

Table 17. LSD

Country	1995	1996	1997	1998	1999
	Trips/doses				
Albania					
Andorra	148			28	
Austria	2,602	4,166	5,243	2,494	2,811
Belgium	5,458	13,704	621	2,050	1,047
Bulgaria					
Croatia	387	172	114	86	247
Cyprus		1			2
Czech Republic	500				19
Denmark	1,282	282	381	108	83
Estonia		4			
Finland	500	41	323	301	50
France	70,217	74,780	5,983	18,680	9,991
Georgia					
Germany	71,069	67,082	78,430	32,250	22,965
Greece	426	1,106	166	44	212

Country	1995	1996	1997	1998	1999
Hungary	266	1,079	1,450	3,351	
Iceland	11				338
Ireland	819	5,901	1,851	798	
Italy	35,499	14,194	8,140	9,752	5,509
Latvia		16	205	58	
Liechtenstein					
Lithuania			2	342	164
Luxembourg	100	122	4		1
Malta	9	45	19	123	54
Moldova					
Netherlands	305	32,320	137,218	37,728	30,512
Norway	1,375	551	6,888	2,833	483
Poland			542	14,902	14,099
Portugal	11	705	84	261	1,845
Romania	13				1
Russian Federation	11,525				153
San Marino					
Slovakia			2	63	
Slovenia	1,911	947	156	53	512
Spain	15,437	13,373	25,368	9,068	3,353
Sweden	373	2,859	1,541	2,704	1,588
Switzerland	5,098	9,010	9,424	2,995	3,130
'The former Yugoslav Rep. of Macedonia'					
Turkey					35
Ukraine			14	500	36
United Kingdom	381,800	216,697	164,100	40,100	31,702
Total	**607,141**	**459,157**	**448,269**	**181,672**	**130,942**

Table 18. Other types of drugs seized in member States in 1998 and 1999

Category	Type	Unit	Amount 1998	Amount 1999	Country
Narcotics	Opium	Kilograms	2	6	Bulgaria
			19		Estonia
			20	12	FYROM
				9	Georgia
				2	Hungary
			1		Latvia

Category	Type	Unit	Amount 1998	Amount 1999	Country
				36	Lithuania
			13		Moldova
			1		Netherlands
			1	2	Romania
			2	1,507	Russian Federation
				319	Turkey
			23	37	United Kingdom
	Opium extract	Litre		17	Latvia
			49		Lithuania
		Kg		45	Azerbaijan
				280	Moldova
			122	21,000	Ukraine
	'Polish heroin'	Litre	394	389	Poland
	Poppy straw and heads	Kg	36		Estonia
				91	Czech Republic
			192	30	Latvia
			1,525		Lithuania
				706	Moldova
			6,872	34	Poland
			26,440		Ukraine
			15,815		Russian Federation
	Papaverum Somniferum	m^2 plants	1,824	1	Moldova
			42,990	27,160	Poland
				12,000	Russian Federation
				33,697	Lithuania
				1,903	Ukraine
	Poppy straw	Litre	65		Latvia

Category	Type	Unit	Amount 1998	Amount 1999	Country
	extract		50		Lithuania
	Morphine base	Kg		1,010	Turkey
	Morphine	Tablets	359	55	Ireland
			17,000		Romania
			3		Slovakia
		Kg		200	Hungary
			1		Portugal
			727		Turkey
			15		Russian Federation
	Ethyl-morphine	Tablets	759		Slovakia
	Codeine	Capsules		24,511	Georgia
		Tablets	2,100	682	Moldova
			163		Slovakia
				11,600	Ukraine
		Grams	1		Slovakia
	Dihydro-codeine	Tablets	124	137	Ireland
			77		Malta
	Methadone	Litre	16	2	Ireland
			1		Luxembourg
			505	445	Netherlands
		Grams		1,500	Bulgaria
				50,000	Netherlands
				218	San Marino
		Tablets		55	Cyprus
				120	Hungary
			360	579	Ireland

Category	Type	Unit	Amount 1998	Amount 1999	Country
			13		Lithuania
			4,093	186,437	Netherlands
			33		Romania
				5,600	Switzerland
				34,090	Turkey
	Other opiates (including synthetic)	Grams	167,714		Russian Federation
				123,000	Ukraine
Depressants	Barbiturates	Capsules	1,800		Moldova
		Tablets		2,700	FYROM
	Nitrazepam	Tablets	566		Lithuania
	Oxazepam	Tablets		1,625	Croatia
			43		Lithuania
		Units		1,925	Portugal
	Flunitrazepam (Rohypnol)	Tablets	44,100		Austria
			5		France
			4,000		Germany
			10		Greece
			361	339	Ireland
			15		Malta
			25,302		Norway
				68	Portugal
			14,880		Slovakia
				12,366	Spain
			221,720		Sweden
		Capsules	26		Greece
		Kg		55	Czech Republic

Category	Type	Unit	Amount 1998	Amount 1999	Country
	Diazepam (Valium)	Capsules/ ampoules	671		Lithuania
			2		Slovakia
		Tablets		3,260	Croatia
				1,060	Georgia
				4,942	Germany
			176		Malta
			28		Norway
			340		Slovakia
				170	Slovenia
			650		Ukraine
	Glutetimid	Tablets	20		Slovakia
		Capsules		321	Moldova
	Alprazolam	Tablets	223		Slovakia
	Bromazapam	Tablets	5		Malta
	Temazepam	Tablets/ capsules	447	108	Ireland
		Kg	300		United Kingdom
	(Other) benzodiazepines	Tablets/ capsules	2,077	1,557	Ireland
			97,000	180,500	Norway
	Tranquillisers	Grams		80,210	Greece
		Tablets		42,011	Greece
	Barbiturates & tranquillisers	Grams	7,151		Russian Federation
Hallucinogens	LSD	Grams	1,128		Russian Federation
	Hallucinogenic mushrooms	Grams		18	Croatia
				42,900	Germany

Category	Type	Unit	Amount 1998	Amount 1999	Country
			12		Iceland
			303	430	Luxembourg
			15,000		Netherlands
			4,475	1,956	Poland
	Psilocybin	Grams		1,697	Czech Republic
Cannabis	Cannabis	Plants	62,742		Albania
	Sativa		276		Cyprus
			3,000		Czech Republic
			23,184		Estonia
			2,900		Finland
			457	151,262	FYROM
			81,097	168,833	Germany
			9,967		Greece
			1,033	5,400	Hungary
			690	352	Ireland
			190,240	471,000	Italy
			222		Luxembourg
			5		Malta
				1	Moldova
			353,178	582,588	Netherlands
			300		Poland
				78,400	Russian Federation
			14,453		Slovenia
			3,468		Spain
			8,076		Switzerland
			2,931,322		Turkey
				44,000	Ukraine

Category	Type	Unit	Amount 1998	Amount 1999	Country
		Hectares with plants	36		Bulgaria
			51		Croatia
			7	1	Poland
				33	Russian Federation
			5		Slovenia
		Kg plants	16,000		Bulgaria
				42	Estonia
			25,000	31,953	Georgia
			1,520		Hungary
				1	Luxembourg
			30		Netherlands
			1,903	289	Poland
				80	Switzerland
			106		Turkey
	Cannabis seeds	Grams	6,556		Bulgaria
		Pieces		696	FYROM
	Hashish oil	Grams	592		France
			500		Germany
			600		Switzerland
			102,856		Russian Federation
			70,000	2	United Kingdom
		Litres		13	Albania
			150	1	Netherlands
Doping substances	Steroids and other doping substances	Ampoules	527,590		Poland
		Units	220,247	69,077	Denmark
				140,084	Norway

Category	Type	Unit	Amount 1998	Amount 1999	Country
		Capsules	2,850		Sweden
		Tablets	12,800		Sweden
		Tablets/capsules/doses	1,713		Iceland
(Other) Stimulants	Fenmetrazine	Grams	149	9,140	Sweden
	Fenetyline (Captagon)	Tablets		176	Bulgaria
				345	Slovenia
			477,250	2,449,386	Turkey
	Khat	Plants	50,000		Ireland
		Kg	549		Denmark
				374	Finland
			2,865	5,674	Germany
			64	1	Italy
				4,700	Norway
			3,296	3,373	Sweden
Other illegal drugs	GHB	Grams	15		Estonia
		Millilitres		165	Estonia
				18,200	Spain
		Ampoules		76	Netherlands
	Ketamine	Grams	6		Estonia
	Pain killers (unspecified)	Units		18,900	Norway
	Unspecified psychotropic preparations	Tablets	11,244		Latvia
				800	Poland
			294,736	255,157	Sweden
		Units	99,138		Spain
		Doses	20,002		Italy
				55,067	Turkey

Category	Type	Unit	Amount 1998	Amount 1999	Country
		Kilograms	673		Russian Federation
			727		Turkey
Precursors	Acetic anhydride	Kg		6,000	FYROM
				15,000	Romania
				37,763	Turkey
		Litres		2,340	FYROM
	Benzyl methyl ketone	Litres		110	Hungary
	Ephedrine	Tablets		21,760	Bulgaria
				9	Ireland
				62,480	Ukraine
		Kg		15	Czech Republic
				9	Lithuania
				30	Netherlands
				100	Poland
	Ephedrone	Millilitres		271	Latvia
				486	Lithuania
	Piperonal	Kg		2,640	Slovakia
				5,000	Spain

APPENDIX III

Methodology

At the time of writing this report, some contributions from Member States were still missing. Also, a few national reports were very short, making reference to the previous report with the comment that no essential changes occurred from the previous year. In those cases, such information is used.

Seizures of illicit drugs reflect patterns of law enforcement activity as much as the market. This data does, however, provide a rudimentary indicator of supply levels. The available figures are therefore presented in Appendix II. In cases where there is more than one source of statistics on a particular subject and they do not provide identical information, the source which is considered to be the most reliable is used. In general, this will be the source published most recently.

APPENDIX IV

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