


EUROPOL

Financial and Property Crime Unit SC4


Protection of EU and Swiss financial interests: Challenges for
Law Enforcement and the Financial industry

Basel, 10-11 December 2007



Aims


- Introduction to Europol
- Institutional cooperation agreement with Switzerland
- Money Laundering & MTIC Fraud
- Questions



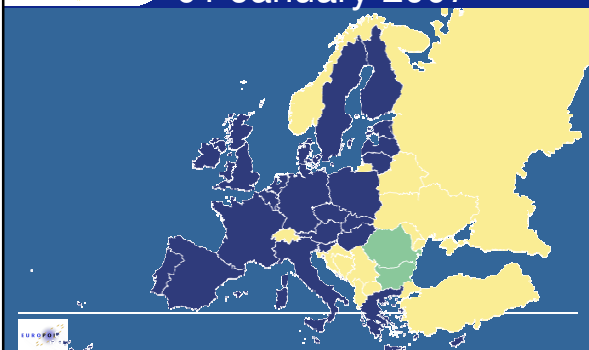



Raamweg 47, The Hague

Plus offices in Washington, DC, and Lyon

EU since enlargement 01 January 2007

Mission of Europol


- Europol is the European Union's law enforcement organisation that processes criminal intelligence (fusion centre concept)
- Mission: to support the law enforcement agencies in the EU member states in their fight against serious trans national crime



Mandated Areas

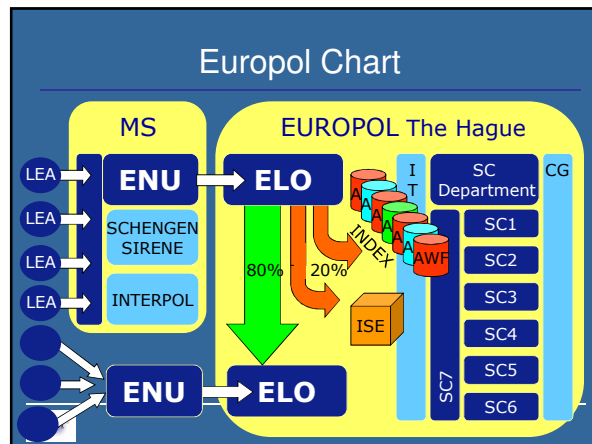
- Drugs
- Trafficking in stolen vehicles
- Illegal immigration networks
- Trafficking in nuclear and radioactive materials
- Trafficking in human beings (incl. child pornography)
- Terrorism
- Forgery of money and other means of payment
- Money laundering (*regardless of the predicate offence*)
- Different forms of international crime (see annex of the Europol **Convention**)

Only if two or more member states are affected,
and factual indications that organised crime is involved



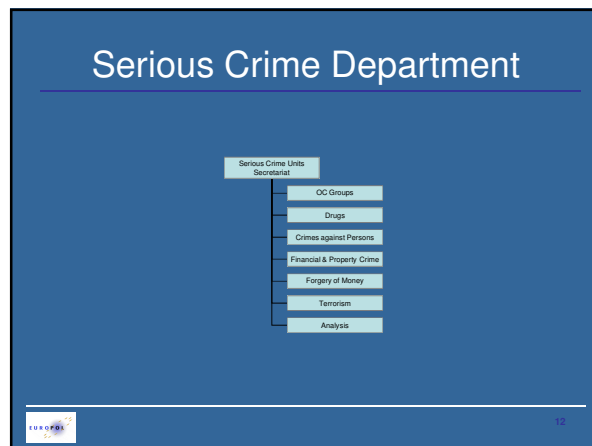
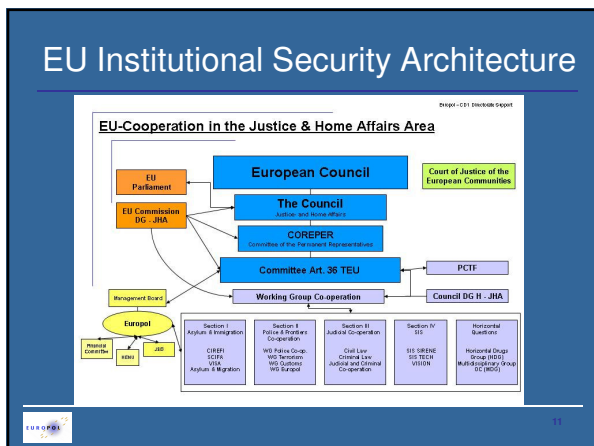
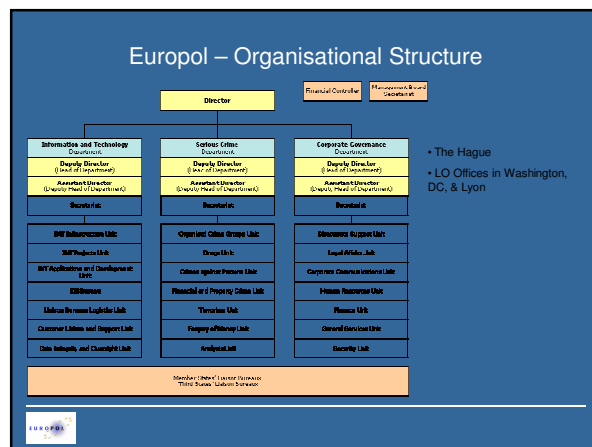
Objectives of Europol

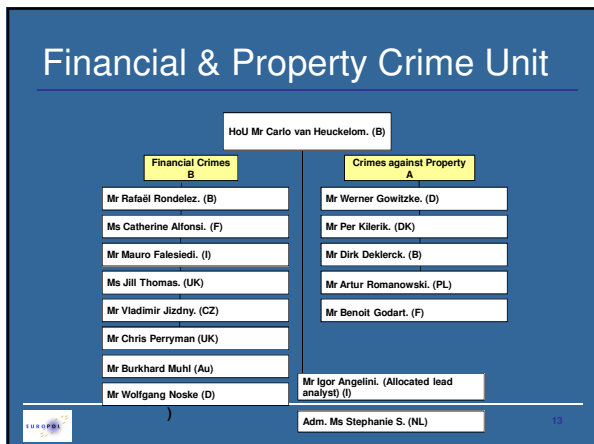
- Facilitating the information exchange
 - Europol liaison network
 - 27 Member States
 - Countries/organisations with operational agreement
 - Australia, Canada, Croatia, Iceland, Norway, Switzerland, USA (incl. FBI, USSS, USPI) and Eurojust, Interpol
 - Strategic agreements
 - Albania, Colombia, Israel, Moldova, Russia, Turkey and the European Commission, ECB, EMCDDA (Monitoring Centre for Drugs & Drugs Addiction), OLAF, UNODC, WCO
 - In progress: Bosnia Herzegovina, FYROM, Moldova, Monaco, Montenegro, Serbia, Ukraine
- Providing operational analysis
- Providing expertise and technical support



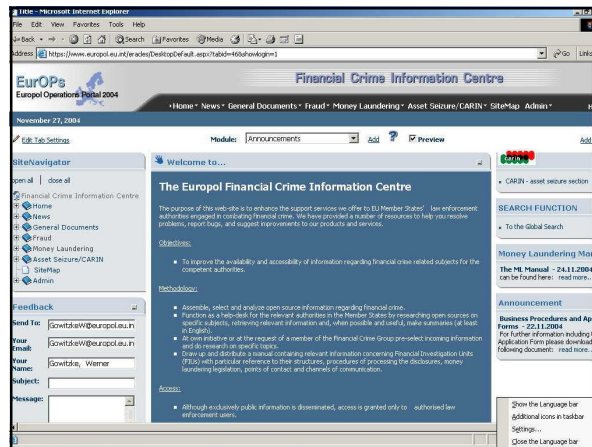
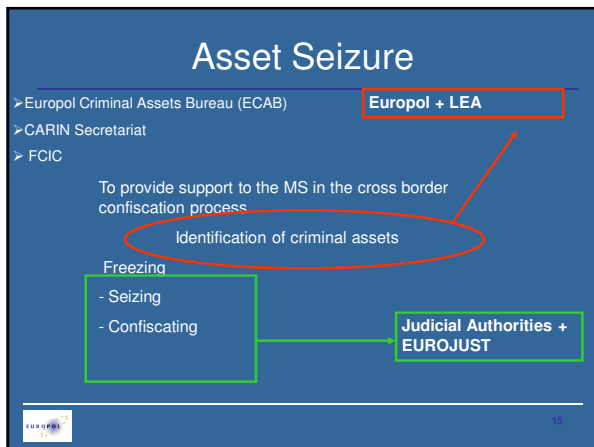
Key points

- **EU third pillar structure**
- **Multi-cultural platform**
- **Multi-disciplinary approach**
- **27 MS + 3rd countries** (NO, CH, US, CO, IS, CA, CR)
- **Operational and strategic agreements**
- **2 LO in US and 1 LO in INTERPOL**
- **Budget: 73 million euros (GE, FR, UK)**
- **550 officers (100 LO & 130 analysts)**
- **MS per nationalities: NL, BE, GE, IT, FR**





- ## SC4 Financial Crime Projects
- Money laundering – AWF SUSTRANS
 - Asset seizure – ECAB, CARIN, FCIC
 - Intellectual Property Rights Infringements – AWF COPY
 - Fraud (and economic crime, excl. non-cash payment fraud) – AWF MTIC
 - Customs cooperation



- ## Property Crime Projects
- Stolen vehicles
 - Analysis Work File (AWF) Key Process (closed)
 - EuVID, European Situation Report Motor Vehicle Crime
 - "SIC members" – cooperation ended
 - Other/future partners: SECI-Center, Baltic Sea Task Force (Operation Baltic Transit – 'discontinued' by Russia)
 - AWF Mare Nostrum – AWF Furtum
 - **Identity document database**
 - Intellectual Property Crime (IPR - incl. counterfeit products)
 - Cultural Property Crime – strategic projects stopped

- ## Switzerland – Europol Cooperation agreement
- Operational cooperation Agreement between the Swiss Confederation and the European Police Office.
- 19th July 2004, entry into force on 1st March 2006
- allows the exchange of personal data and operational information
 - Table of equivalence not yet established, the co-operation partner needs to sign a Declaration of Receipt of information for documents classified as Europol Restricted.
 - Liaison officers at Europol

Article 3 Areas of criminality to which the Agreement applies

The co-operation as established in this Agreement shall relate to:

- a) unlawful drug trafficking;
- b) trafficking in nuclear and radioactive substances;
- c) illegal immigrant smuggling;
- d) trade in human beings;
- e) motor vehicle crime;
- f) crimes committed or likely to be committed in the course of terrorist activities against life, limb, personal freedom or property;
- g) forgery of money and means of payment;

as well as to **illegal money laundering activities in connection with these forms of crime** or specific manifestations thereof and related criminal offences.



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Annex to the convention (1)

Against life, limb or personal freedom:

- murder, grievous bodily injury
- illicit trade in human organs and tissue
- kidnapping, illegal restraint and hostage-taking
- racism and xenophobia
- +
- Illegal trading and harm to the environment:
- illicit trafficking in arms, ammunition and explosives
- illicit trafficking in endangered animal species
- illicit trafficking in endangered plant species and varieties
- environmental crime
- illicit trafficking in hormonal substances and other growth promoters



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Annex to the convention (2)

Against property or public goods including fraud:

- organized robbery
- illicit trafficking in cultural goods, including antiquities and works of art
- swindling and fraud
- racketeering and extortion
- counterfeiting and product piracy
- forgery of administrative documents and trafficking therein
- forgery of money and means of payment
- computer crime
- corruption



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Article 4 Areas of co-operation

The co-operation may - **in addition to the exchange of operational information** - involve all other tasks of Europol mentioned in the Europol Convention, in particular the exchange of specialist knowledge, strategic intelligence, general situation reports, information on investigative procedures, information on crime prevention methods, participation in training activities as well as providing advice and support in individual investigations.



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Money laundering and MTIC Fraud as priority crime areas within the EU

- The Amsterdam Treaty;
- Extension of Europol mandate;
- OCTA 2007;
- EU Council Conclusions 2007;



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Art. 30 EU Treaty


1. Common action in the field of police cooperation shall include:

...(b) The collection, storage processing, analysis and exchange of relevant information, including information held by law enforcement services on reports on suspicious financial transactions, in particular to Europol, subject to appropriate provisions on the protection of personal data.




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Upgrade AWF SUSTRANS as Europol Clearing House for Financial Intelligence sharing and analysis



Suspicious transactions (STR)



Cash transactions report (CTR)



Investigations

↑ ↑ ↑


“Financial intelligence led policing”

STR's produced in EU (2004) : 286.804


Potential entries in AWF SUSTRANS after transferal to prosecutorial bodies:

33.771


Unusual transactions vs. Suspicious Transactions




Fin & N-Fin gatekeepers



Financial Intelligence Unit (FIU)



Prosecutorial Bodies



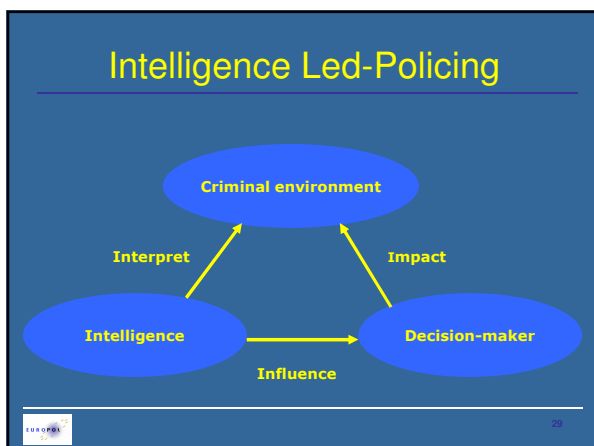
Police

UTR

STR

ESTR

Year	2000	2001	2002	2003	2004	total
Sepot	50,05%	49,38%	49,76%	39,70%	33,00%	44,47%
Judicial Investigation	2,82%	3,81%	5,60%	7,06%	8,21%	5,58%
conviction	4,33%	3,81%	2,14%	1,86%	0,72%	2,51%



“Financial intelligence led policing”

Strategic level: OCTA / Situation reports

Tactical/Operational level: AWF SUSTRANS

The Money laundering Protocol and Danish Protocol to the Europol Convention

- The ML Protocol (entry into force 30/3/2007) extends Europol's mandate to any money laundering offence regardless of the predicate offence. (Cfr. 2000 Palermo Convention and 2005 Warsaw convention)
- The Danish Protocol (entry into force 18/4/2007) enables third parties with, whom Europol has concluded a operational cooperation agreement, to fully associate to an AWF

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AWF Sustrans & AWF MTIC

➤ OCTA 2007
 ➤ JHA Council decision 12/6/2007 based upon OCTA 2007 findings laying down the EU Criminal policy priorities:

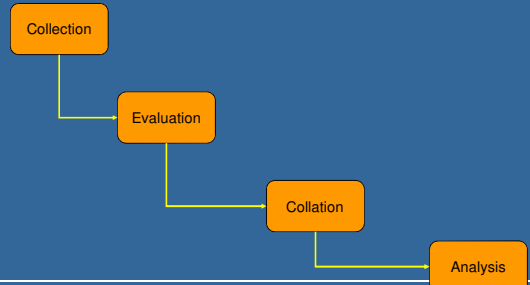
- ✓ - Drugs
- ✓ - illegal migration and THB
- ✓ - forgery of the Euro
- ✓ - counterfeit and industrial piracy
- ✓ - MTIC fraud
- ✓ - Money Laundering

➤ Creation of two additional AWF's: COPY and MTIC



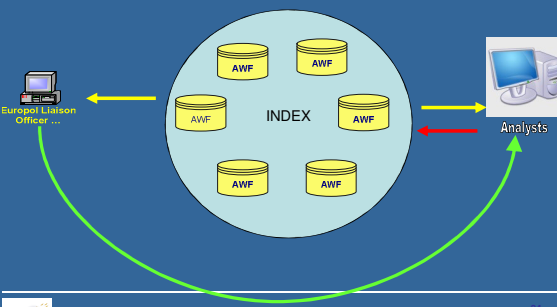
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The intelligence process is based on




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18 AWF's



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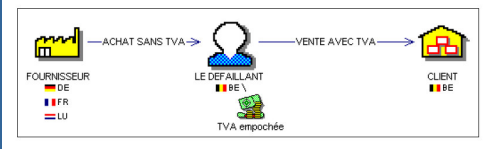
Data protection



confidential investigation → Handling code H2

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MISSING TRADER INTRA COMMUNITY FRAUD (MTIC)



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Questions?

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Thank you
for your attention.

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