NOTE

from: the Europol Working Party

to: the K.4 Committee

Subject: Report of the EDU Coordinator on activities in 1996

At its meeting of 11/12 March 1997 the Europol group approved the report of the Coordinator of EDU that is annexed (doc. EDU 1423-12r1).

The K.4 Committee is invited to confirm this approval and forward this document to COREPER/Council in view of its transmission to the European Parliament.
1. General remarks

1996 was the third year of the existence of the Europol Drugs Unit (EDU) and there were a number of very significant developments politically.

Agreement was reached at the Florence Summit on the role of the European Court of Justice concerning Europol. Member States are now conducting their ratification procedures. The United Kingdom was the first country to ratify the Convention on the 10th of December 1996.

Two Joint Actions agreed upon by ministers in December 1996 introduced important changes and additions to the mandate of the EDU, extending it to include trafficking of human beings and to creating and maintaining a directory of centres of excellence.

The EDU was heavily involved in the implementation of the policies set out in the document Cordroge 69, agreed by the Madrid European Council.

A large number of ministers, members of national and European parliaments and journalists visited EDU in 1996. During the ratification procedure EDU is seen as a forerunner of future Europol and a laboratory for future work of Europol.

The day to day exchanges of information and intelligence between Member States via the EDU and the successful support from the EDU to Member States’ investigations and operations continued to increase, both in terms of quality and quantity.
There were a significant number of enquiries relating to drug trafficking, organised clandestine illegal immigration, illicit vehicle trafficking and money laundering, which led Member States’ authorities directly to seizures and arrests, but few relating to the illicit trafficking of nuclear and radioactive substances(1). Member States’ Europol National Units have used the EDU many times to facilitate and support the co-ordination of international controlled deliveries and international surveillance operations, as well as national investigations.

A substantial factor in the increased use of the EDU by law enforcement agencies of the European Union is the presence of Europol Liaison Officers of all 15 Member States permanently based at the EDU and operating on behalf of their country. This arrangement, in line with the Third Pillar philosophy, has provided Member States’ authorities with an important and useful service not previously available. The composition of each national desk is more and more reflecting a multi-agency approach.

In order to make effective progress in the mandated fields of criminality, a series of conferences was held in The Hague during 1996 to ascertain Member States’ needs in these areas, to exchange views, discuss law enforcement techniques, agree on common strategies and to initiate and improve investigations and operations.

2. Exchange of information

The exchange of information and intelligence between ELOs remained the primary activity of EDU and 1996 saw a significant increase in the number of enquiries dealt with by the EDU.

(1) See appendix with examples of case related work.
As a result of the successful support by the EDU to the respective law enforcement agencies (police, gendarmerie, customs, immigration, etc.), the Member States are making more and more use of the ELO network and specific EDU expertise. Bilateral and, more especially, multilateral exchange are taking place every day, and a high level of service (speed, accuracy, language facilities, upgrading of information/intelligence) is offered to investigations related to criminal groups active on an international basis.

During 1996, 2053 cases were initiated by the Member States. Each case can involve several individual enquiries as it may be directed to more than one country or several replies may be given over time by one country, thus, from 2053 cases referred to EDU 6327 individual responses were generated by liaison officers. An additional 216 responses to enquiries were sent to Member States from the EDU crime analysts department.

The types of request routed through the EDU remain proportionally similar to those in 1995. In 78% of cases (77% in 1995) the request was for information and intelligence in respect of ongoing investigations in the Member States. In 16% of cases (17% in 1995) special expertise and analytical support was requested. In 6% of cases (same as 1995) co-ordination support was given by the ELOs in ongoing multilateral law enforcement activities (eg controlled deliveries, of which 33 were facilitated through EDU in 1996).

Of the total number of cases, 1466 were drug related (71% compared to 76% of 1995), 257 covered money laundering activities (13% compared to 12% in 1995), 167 were linked to illegal immigration networks (8% compared to 4% in the previous year) and 159 related to stolen vehicle trafficking (8% as in 1995). Only 4 cases were related to the illicit trafficking of nuclear or radioactive substances.

2.1. Illicit drug trafficking

Action to combat illicit drug trafficking remains a core function of the EDU. In addition to the operational support outlined above, a number of other developments have occurred in this area in 1996.
A second *EU-Situation Report on Drug Production and Trafficking* was prepared including, for the first time, an overview of wholesale and retail prices of major drugs in the Member States. This document became one of the sources used by the Irish Presidency in drafting the *Situation Report on Organised Crime in the European Union in 1995*. A strategic analysis was conducted, *Drug Trafficking by Turkish Criminal Organisations from an EU Perspective*, from which operational projects will be developed in 1997. In November 1996 the EDU started, in cooperation with Member States, the preparations for the establishment of a *Drug Purity Indicator System* in order to report on the average purity of the major types of drugs.

The *Ecstasy Logo Project* provided a computerised database system for the ballistic profiling of ecstasy pills. A first catalogue containing 93 logos of ecstasy pills and an update with another 74 new logos were released in 1996. Some 9500 catalogues were distributed to law enforcement bodies in the Member States and many requests for additional copies were received.

With the aim of assisting law enforcement bodies in interested Member States and their drug liaison officers in Latin America and the Caribbean, the EDU has continued with the Latin American Drug Bulletin Board, through which relevant information from various open sources was collected and disseminated.

Other areas of criminality. In addition to the exchange of information, EDU is developing with the ENUs a project oriented approach starting in principle with the production of a general situation report on the other mandated areas of criminality and by initiating other specific initiatives.

The first Expert meeting on *Illicit Trafficking of Vehicles* was held in The Hague in April 1996 in the presence of experts from all Member States, the PECO countries and two of the Baltic States in order to evaluate the criminal threat, to study the needs and expectations of international co-operation and to initiate and support operational activities.
In order to carry out stolen vehicle projects and to develop a systematic analysis in this area of crime, the EDU produced annual European Situation Report covering the situation in 1995. The purpose is then to gain additional information and to create the basis for a mutual future strategy to combat this phenomenon through bilateral and multilateral co-operation under the co-ordination of a leading Member State. The EDU was invited by the Schengen co-operation, as part of their pilot project on stolen vehicle routes, to carry out an analysis focusing on controls of routes known as being frequently used by traffickers.

The annual situation report on illicit Trafficking in nuclear and radioactive substances and Clandestine immigration networks were prepared and ready to be produced beginning of 1997.

A system was set up to inform instantly all the EU about occurring trafficking of nuclear and radioactive substances incidents.

A Balkan Route project, focusing on clandestine immigration networks involving Turkish nationals and Turkish organisations, was developed and a strategic analysis was carried out. Additional detailed information and details of cases date from 1994 and 1995.

An EDU common strategy on Money laundering has been prepared and will be officialised in 1997.

A General Situation Report was written describing, inter alia, the legal possibilities and competent agencies for the control of cross border movements of cash/assets. At the request of some Member States, an inventory was made of the existing training programs on money laundering in the Member States.

The EDU maintained its involvement with other international organisations involved in these areas, in order to avoid duplication of efforts and to develop joint initiatives where appropriate in agreement with the Law Enforcement Authorities in the Member States and under authority of the Working Group Europol.
2.3. Special Techniques

The EDU produced two key documents on this subject, a Special Techniques Policy, and a study on Controlled Deliveries covering legal, judicial, factual, structural and financial problems which create difficulties in such operations.

An expert meeting on compatible technical support systems was organised at the EDU by the United Kingdom Home Office, attended by representatives of all Member States. This presented the existing tracking systems in Europe and concentrated on user requirements, technical specifications and research and development requirements.

3. Crime Analysis

The workload of the analytical department continued to increase in 1996 and the number of analysts was increased from 4 to 7 by the end of the year. The number of yearly assessments remained at 5, however, requests for major assistance increased from 18 to 26 and a further 272 minor requests resulted in 2495 searches compared to 841 in 1996.

A 2nd EU Criminal Intelligence Analysts' Conference was held at the EDU between 8-10 October 1996, with over 60 delegates from all Member States and also an observer from ICPO/Interpol. Guest speakers came from the USA, the United Kingdom, the Netherlands, Australia and Italy, imparting their knowledge and expertise from an operational viewpoint and an academic perspective in respect of both strategic and operational analysis. This conference supported the EDU’s underlying principle of expanding the awareness of analytical work, as further demonstrated by the two week Strategic Analysis and Intelligence Course held in June 1996, attended by 27 representatives from 12 Member States and representatives from ICPO/Interpol and the WCO(1). As a result of positive feedback it has been decided to repeat the course in 1997.

(1) World Customs Organisation.
4. **EDU support for the implementation of the Convention**

The Europol Drugs Unit participated actively in the Working Group on Europol during 1996. The focus was mainly on the Analysis Work Files, the Confidentiality Regulations and the Staff Regulations. Under the Italian and Irish Presidencies, considerable progress has been reached. The EDU support activities led to an important investment of manpower throughout the whole organisation (participation with three or more EDU representatives in the many working days of the Working Group on Europol and organising and participation in expert groups meetings and drafting groups meetings in the EDU building for the preparation of all the different regulations foreseen in the Europol Convention.)

5. **Personnel and finance**

The 31 December 1996 the EDU personnel arrived to 116; 37 liaison officers and technical assistants to the liaison bureaux from the 15 Member States and 79 EDU staff members coming from 11 Member States in total.

The EDU’s. total 1995 expenditures amounted to 3,219,058 ECU leaving 17.8% of the budget unspent.

In addition to the ordinary EDU budget for 1996 of 4,997,000 ECU, the Council of Ministers approved a supplementary budget of 1,400,000 ECU for the Europol Computer System, of which only 1,100,000 ECU had to be called up.

Through tight managing and monitoring, it has been ensured that spending in 1996 has remained within the budgetary limits. For a number of business items, in particular simultaneous interpretation of conferences and meetings, printing, translating and training, a number of potentially useful initiatives had to be dropped due to financial constraints.

End of 1996, the Council adopted the EDU budget 1997 amounting to 5,600,000 ECU and a 1997 budget for the Europol Computer System of 2,200,000 ECU.
Considerable effort was made throughout the organisation in business planning to set up detailed activity plans and to establish the priorities needed to ensure cost effective implementation of the 1997 budget.

6. Conclusion

The EDU has played a significant role during 1996 in combating organised crime in the European Union. It is now well established in the minds of investigators within the Member States and in the arena of international politics.

A consequence is a level of expectation which cannot be fulfilled with current legal, financial and technical resources. This is particularly marked in respect of analytical work.

In addition to supporting investigations, the EDU is beginning to play an important role in the development and harmonisation of strategies and techniques. The EDU is emerging as a joint Member States laboratory for new management and analytical methods and for modern technologies. In addition, the EDU offers a platform for the exchange of views and experiences among Member States’ ministries, police and customs authorities.

The birth of the real Europol seems to be near as ratification of the Europol Convention progresses in an encouraging manner. Not all problems concerning European law enforcement cooperation will be solved by ratification as a number of practical implementation issues remain to be addressed, especially the establishment of efficient liaison with third countries and international organisations. The Dublin summit gave clear signals for further development of Europol and of EU wide law enforcement co-operation which will further enhance the fight against international organised crime.
Examples of case related work

1. Two analyses were carried out at the request of German law enforcement agencies, both in respect of clandestine immigration networks. These separate cases related to the transportation of illegal immigrants from Asia either to Germany or other Member States. Intelligence indicated that some of the illegal immigrants arriving in Germany were en-route to other countries of the European Union. The work was carried out on behalf of the operational teams. The ELOs collected an important amount of information which was then evaluated, structured and analysed with the results being displayed in the form of relational diagrams. This work illustrated the relationship among the main suspects, and in particular the analysis supported the theory that the illegal immigration activity centred around an organised group who worked closely together. The work, co-ordinated by the ELOs, gave reason to believe that each investigation had common targets, thus, highlighting areas for further work to be carried by the investigators.

2. The Danish Serious Crime Squad investigated a drug case based on a seizure of 1.8 tons of cannabis in Spain. The investigators initially used the Nordic Drugs Liaison Officer (DLO) network to get information from Spain. When it turned out that the case had links to Belgium, Netherlands, Portugal and Ireland, the EDU was asked to give support. On request of the participating Member States, the case-related information was analysed by EDU analysts who suggested that the case be divided into two separate investigations, an Irish/Dutch/Belgium case and a Danish/Dutch/Belgium/Spanish case. A meeting between all involved countries took place at the EDU and the division of the case was agreed. Denmark presented the case to Spain, Netherlands and Belgium. At the meeting it was agreed that Belgium and Spain would launch an investigation using special techniques in both countries based on the Danish information. Information was exchanged on a daily basis between the participating countries. The analytical department prepared flow charts and other analytical reports on the development in the case, which kept the investigators updated at all time. The investigation stated that a target in Denmark planned to go to the Netherlands to buy a substantial number of XTC pills. A Controlled Delivery (CD) was agreed by the requested countries (Germany, Netherlands and Belgium). The CD was carried out successfully resulting in the seizure of 10 000 XTC pills, which was the biggest Danish seizure to date. Additionally, the analytical department assisted the Danish prosecutor by making a complete analysis/overview and graphical presentation of the case and its complicated international links.
In October 1996 the Dutch Customs seized a parcel containing XTC pills, hashish and marihuana which was about to be sent to Portugal by air mail from Holland. The destination of the parcel was the Post Office of a small town in the Algarve near the Spanish border. Both the names of the sender and the receiver were false. The assistance of EDU was requested and a CD was initiated. An undercover Portuguese police officer came to The Netherlands and received the package. As he had to leave the same day for strategic reasons, he had to fly via Germany. In 1 hour the Prosecutor of Frankfurt authorised the transit and the German Customs gave assistance in German territory. The undercover officer went to the Post Office pretending to work there. A few days later a Dutch citizen born in Dusseldorf (Germany) arrived to get the package. He was followed and arrested when entering his house. His house was searched and more drugs (namely XTC pills) were found along with a lot of cash. He admitted that he had been using the same method for several months and that he was the main supplier to the drug users in the area, and also from Spain. He was selling the drugs for 4 times the cost price in The Netherlands. Several users were identified.