



ORGANISED CRIME PORTFOLIO: ILLICIT REVENUES AND CRIMINAL INVESTMENTS IN EUROPE



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Keywords: organised crime; criminal investments; criminal revenues; money laundering; crime prevention; Europe.

Abstract: This article presents the main findings of the Project OCP — Organised Crime Portfolio ⁽¹⁾. It focuses on the economics of organised crime in Europe by estimating the criminal revenues of illicit markets and by analysing organised crime involvement in the legitimate economy. Furthermore, a qualitative analysis addresses organised crime involvement in different illicit markets and investments in the legal economy. Results show the magnitude and characteristics of the criminal portfolio of both illegal and legal businesses and provide an important contribution to help EU Law Enforcement Agencies (LEAs), Financial Intelligence Units (FIUs) and Asset Recovery Offices (AROs) to reduce the opportunities for criminal infiltration in the legitimate economy. The results also constitute a starting point for development of risk assessment models for crime prevention.

INTRODUCTION

Project OCP — Organised Crime Portfolio, was co-funded by the European Commission, DG Home Affairs, and carried out by an international consortium coordinated by the Università Cattolica del Sacro Cuore — Transcrime ⁽²⁾.

The aim of the project was to study the economics of organised crime groups (OCGs) in Europe, focusing on 7 countries (Ireland, Spain, France, Italy, Netherlands, Finland, and the United Kingdom). In particular, Project OCP carried out

a study of: where organised crime proceeds are generated, from which illicit markets (Part 1); where these proceeds are then invested in the legitimate economy, in which regions, assets and business sectors (Part 2); the extent to which these proceeds are confiscated by European authorities (Part 3).

This paper discusses some of the key results of the final report of Project OCP (Savona & Riccardi, 2015), focusing in particular on: 1) estimates of the revenues of the main illicit markets in the European Union; 2) analysis of investments

⁽¹⁾ More information can be obtained at <http://www.ocportfolio.eu/>

⁽²⁾ The eight partners of the project are: Università Cattolica del Sacro Cuore — Transcrime (UCSC — Italy), Universiteit Utrecht (UU — The Netherlands), Universidad Rey Juan Carlos (URJC — Spain), Durham University (UDUR — United Kingdom), Guardia di Finanza (GDF — Italy), Police University College (PCF — Finland), Agence de Gestion et de Recouvrement des Avoirs Saisis et Confisqués (AGRASC — France) and An Garda Síochána — Criminal Assets Bureau (CAB — Ireland). We would like to acknowledge the other authors of the final report of Project OCP (of which this paper constitutes a brief summary): Sarianna Petrell and Jarmo Houtsonen (Police University College, Finland), David Wall and Yulia Chistyakova (Durham University, UK), Jesús Palomo, Jerónimo Márquez, Nuria Ruiz, Pilar Laguna and Marta Chinnici (Universidad Rey Juan Carlos, Spain), Joras Ferwerda and Brigitte Unger (Utrecht University, Netherlands), John Walker (John Walker Crime Trends Analysis), Jeltsje Cusveller, Francesco Calderoni, Marco Dugato, Marina Mancuso, Michele Riccardi, Alexandre Salha and Ernesto U. Savona (Università Cattolica del Sacro Cuore — Transcrime, Italy).





by criminal groups in the legitimate European economy; 3) review of the main criminal actors active in illicit and legal markets in Europe.

AN ESTIMATE OF THE REVENUES OF ILLICIT MARKETS IN EUROPE

Project OCP provides country-level estimates of the annual revenues generated by illicit markets in

Europe. The estimated revenues include (1) new estimates for six selected markets, namely heroin, cocaine, illicit trafficking in firearms (ITF), illicit trade in tobacco products (ITTP), counterfeiting and Missing Trader Intra Community (MTIC) fraud, and (2) a collection of existing estimates on cannabis, amphetamine-type drugs and cargo theft. The estimates of the monetary scale of illicit markets presented in Table 1 refer to the value of the illicit goods and/or services sold at retail level. These revenues are attributable to all the actors involved in these illicit activities, not only to OCGs.

Table 1 — *Estimates of the annual revenues of six illicit markets in the EU (million EUR)*

EU Member State	Illicit drugs ^a	ITTP	Counterfeiting	MTIC frauds	Cargo theft	ITF	TOTAL ^b
Austria	686	133	1 899	527	1.9		3 246
Belgium	300	130	1 320	755	11.5		2 517
Bulgaria	34	195	244	92	0.03		564
Croatia	111	23					134
Cyprus	20	9	296		0		325
Czech Republic	630	42		645	1.1		1 318
Denmark	192	40	931	390	2.7		1,554
Estonia	52	33	49	46	0.01		180
Finland	227	146	280	430	0.3		1 084
France	3 234	2 083	5 746	4 899	47.7		16 010
Germany	3 520	1 805	8 198	4 090	32.3		17 645
Greece	142	455	1 501	1 484	1.6		3 584
Hungary	211	73	254	562	1.7		1 102
Ireland	806	277	456	168	0.8		1 709
Italy	4 866	546	4 596	5 492	11.4		15 511
Latvia	253	61	53	145	0.5		513
Lithuania	69	80	100	206	0.2		455
Luxembourg	9	3	63	84	1.9		161
Malta	19	9	61	3	0.004		92
Netherlands	535	249	1 986	610	46.8		3 427
Poland	484	601	676	822	1.2		2 583
Portugal	116	25	512	420	0.2		1 073
Romania	47	251	436	1 573	0.3		2 307
Slovakia	191	12	257	421	0.5		882
Slovenia	123	24	183	50	0		379
Spain	3 941	635	3 928	2 310	21.2		10 836
Sweden	148	132	1 706	142	5.8		2 134
United Kingdom	6 072	1 304	4 569	2 962	232.8		15 140
OCP countries	20 163	5 240	21 562	16 872	361.0		64 199
Total EU	27 685	9 373	42 711^c	29 329	424.4	370	109 891

^a This category includes heroin, cocaine, cannabis and amphetamine type drugs.

^b The totals may not sum up due to rounding.

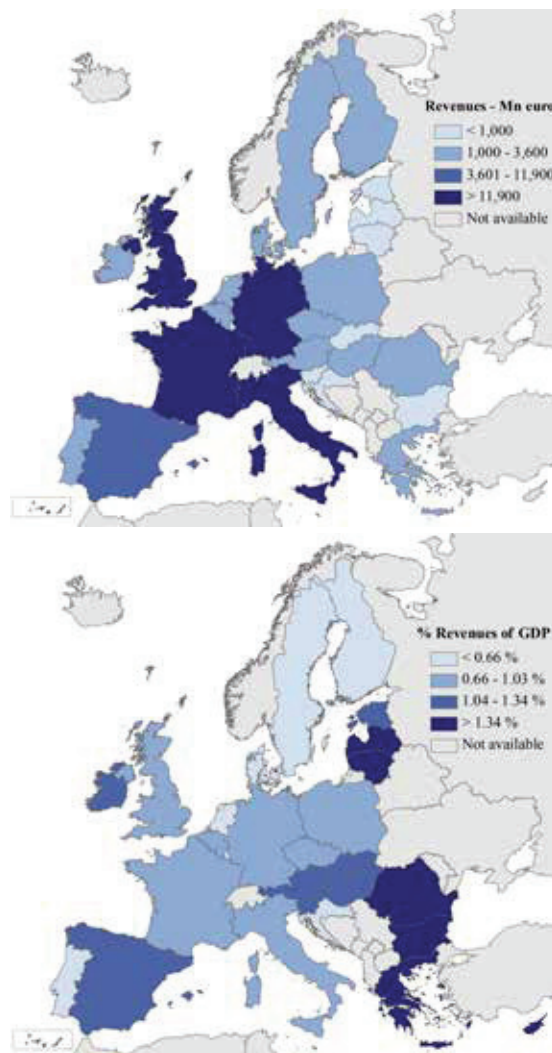
^c This estimate is based on EU 27 aggregated data. Thus, it may include also Czech Republic data, missing at country level.

Source: OCP report (Savona & Riccardi, 2015).



At EU level, the magnitude of criminal revenues from illicit markets amounts to approximately EUR 110 billion per year, equivalent to 0.9 % of the GDP of EU-28 MS in 2010 ⁽³⁾. Germany, France, Italy, and the United Kingdom alone account for 58 % of criminal revenues, since they are among the richest and most populated countries in the EU. However, based on the rate of criminal revenues on the GDP, illicit markets appear to be more relevant for the economies of south-eastern Europe and the Baltic countries (Figure 1).

Figure 1 — Estimated annual revenues of illicit markets in European countries.
Absolute values (top) and % of GDP (bottom).



Source: OCP report (Savona & Riccardi, 2015).

Illicit drug trafficking is still one of the main sources of income for organised crime groups, despite the emergence of new illegal markets. The trafficking in heroin, cocaine, cannabis, and amphetamine-type drugs alone produces annual revenues amounting to nearly EUR 28 billion in Europe as a whole. In absolute terms, the United Kingdom is by far the biggest market in Europe, followed by Italy, Germany and France. In addition, illicit drugs are the main source of revenue for criminals in Spain, Croatia, Latvia, Ireland, the United Kingdom and Estonia. Heroin, with revenues amounting to EUR 8 billion, is the biggest drug market, followed by cocaine (EUR 6.8 billion) and cannabis (EUR 6.7 billion) (Caulkins, Kilmer, & Graf, 2013). Amphetamine-type drugs have lower values, EUR 2.8 billion for amphetamines and EUR 3.5 billion for ecstasy (Kilmer & Pacula, 2009).

Counterfeiting attracts the interest of OCGs because of the combination of high profits and low risks. The EU is one of the main destinations for counterfeit products. As reported by EU TAXUD (2014), most of the products suspected of infringing intellectual property rights come from China, but many also arrive from Hong Kong, India, the UAE, and North Africa.

Using data from a survey of EU MS citizens on willingness to accept counterfeit products (EUROBAROMETER, 2011) and data on the turnover of licit production, it emerged that the potential demand for counterfeit goods exceeds EUR 42 billion. The biggest markets for counterfeiting in Europe are Germany, Italy, France and the United Kingdom. However, considering criminal proceeds as a percentage of GDP, Austria, Slovenia, Bulgaria, Greece and Sweden also emerge, due to a higher propensity to accept counterfeit products.

The ITTP is a multifaceted phenomenon comprising a vast array of activities, from small-scale to large-scale cigarette smuggling and illicit tobacco manufacturing. This activity offers a very attractive combination of opportunities for criminal groups in terms of high profits and low risks. According to Project OCP estimates, European ITTP revenues amounted to EUR 9.3 billion in 2013, and they accounted for 9 % of all criminal revenues in the EU. In absolute terms, more than 50 % of ITTP proceeds are

⁽³⁾ Reference year of GDP is 2010 because it is the median year of the estimates considered.



concentrated in only 7 countries (Ireland, Spain, France, Italy, Netherlands Finland, and the United Kingdom), amounting to EUR 5.2 billion. However, in eastern European countries, ITTP generates the highest revenues compared to other illicit activities. Indeed, in Bulgaria, Estonia, Croatia, Lithuania and Poland, ITTP revenues range between 17 % and 34 % of national criminal revenues.

MTIC fraud is a common type of VAT fraud carried out within the EU. This fraud concerns cross-border transactions of movable assets imported from one country to another, free of VAT. Then, in the destination country they are sold including VAT, failing to remit it to the Government. MTIC frauds yield around EUR 29 billion per year. Due to the complex nature of this crime, it is likely that it is mainly organised criminals who collect these proceeds. Italy, France and Germany have the highest revenues from MTIC fraud in absolute terms (EUR 14.5 billion). However, according to estimates, MTIC fraud is the most important source of revenue for OCGs in Greece, Lithuania, Hungary, and Slovakia. These are also the countries where MTIC fraud has the highest impact on the GDP.

Firearms trafficking in Europe appears more limited in size, especially if compared to the dimension and the demand for illicit firearms in politically unstable regions of the world. However, Europe is a strategic region for firearms traffickers. Indeed, it is an important hub and source of firearms, firearm parts and ammunition destined for countries outside Europe. Different studies suggest that firearms trafficking may range between 10 % and 20 % of legal firearms production (e.g. UNODC, 2010). According to this calculation, the estimated revenue of ITF in the EU amounts to EUR 370 million.

OCGs also generate revenues from organised property crimes, such as burglaries and thefts of cargo, medicine, vehicles, fuel, metals, art and antiquities. Europol (2009) estimated the revenue of cargo theft in the EU to be EUR 424 million. Unfortunately, no other comprehensive estimates are available for other property crimes at EU level.

THE ANALYSIS OF ORGANISED CRIME INVESTMENTS IN EUROPE

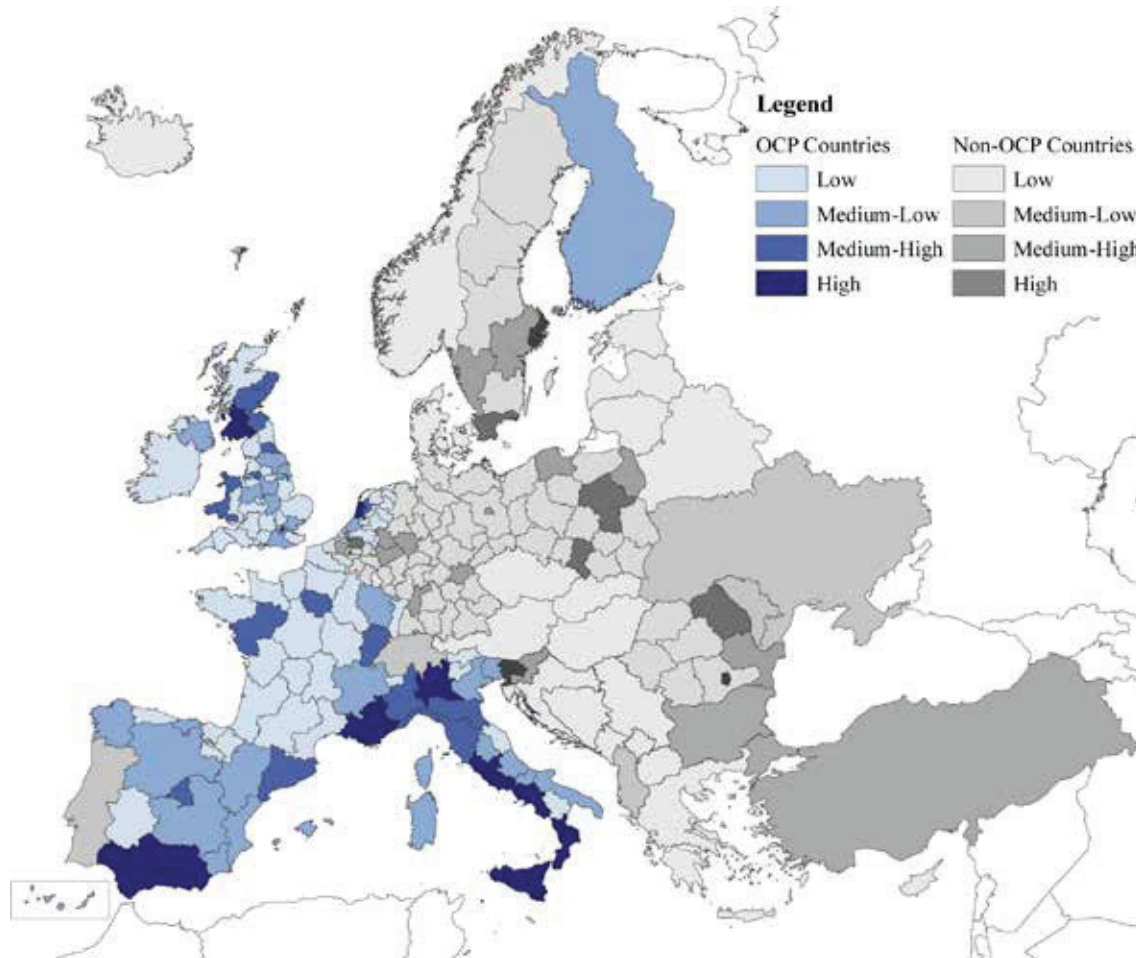
A significant amount of revenue from illicit markets may end up invested in the legitimate European economy. However, it is still unclear what portion of illicit OCG proceeds is available for laundering after covering expenses related to illegal activities (e.g. transportation and storage), purchase of new stock (e.g. drugs and raw materials), salaries and personal living expenses.

The definition of organised crime investments in Project OCP is any possession and/or acquisition of any type of asset in the legal economy by individuals belonging to a criminal group, acting on its behalf and/or involved in one of the criminal activities previously identified by the project. This definition includes assets targeted to various degrees by freezing and confiscation measures. Data on confiscated assets can provide a basis for the analysis of organised crime investments (Transcrime, 2013). However, due to the lack of available and comparable data on confiscated assets across European countries, the project also collected evidence of organised crime investments in the legal economy from a wide range of other sources (e.g. government and police reports, academic and research institutes studies, and media coverage).

Figure 2 presents a picture of where criminal groups invest in Europe. Criminal investments concentrate mainly in large urban areas (e.g. Madrid, London, Paris and Rome), in tourist or coastal areas (e.g. southern Italy, Côte d'Azur, Murcia and Malaga) and in border regions (e.g. Andalusia, Lombardy and Franche-Comté). The geographical characteristics of the territory facilitate both illegal markets (e.g. fraud or illicit trafficking) as well as money-laundering activities. Thus, it seems that the concentration of criminal investments in these areas could be related to the presence of vulnerabilities that create opportunities for criminal groups to conduct illicit activities (e.g. drug trafficking and money laundering), and then reinvest the illicit proceeds in the legal economy. In addition, infiltration in the legal economy is greater in those areas where criminal groups, to a different extent, exert some influence and power at the local level (e.g. southern Italy, Provence-Alps-Côte d'Azur and Andalusia).



Figure 2 — European regions with evidence of organised crime investments (NUTS 2, percentages of the country total) ⁽⁴⁾.



Source: OCP report (Savona & Riccardi, 2015).

Therefore, the geographical pattern of criminal investments differs according to both the illicit activities and the criminal groups operating in the area. Some criminal groups tend to invest in the territory where they generate illicit funds. Other criminal groups may conduct illegal activities in a certain country, but then invest the illicit proceeds in another, such as their country of origin (e.g. there is evidence that north African groups who are active in the illicit drug trade in troubled areas in France may launder their proceeds in the real-estate sector in north Africa). Furthermore, some European countries attract investments from non-local criminal groups who are not active in illicit activities in that territory (e.g. France has witnessed, among others, investments by Italian Camorra groups and Chinese criminals).

Regarding the drivers of organised crime investments, there are four broad and sometimes overlapping reasons for criminal groups to invest in the legal economy: to facilitate illegal activity, to launder money, to make a profit and to gain prestige and influence.

First of all, investments in the legal economy can be an extension of the illegal activities in which organised crime is already involved. For example, warehouses, vehicles and boats can be used to store and traffic illicit goods. Furthermore, companies involved in transportation, wholesale and retailing of consumer goods and manufacturing can be a cover for illegal operations while conducting some legal business activities as well (e.g. drug operations off the coast of Spain misusing logistics and import-export companies). Bars, restaurants,

⁽⁴⁾ The classes of evidence are identified using Jenks natural breaks optimisation.



clubs and small stores can serve as meeting places and headquarters for illegal operations. Other types of real estate, such as hotels, apartments and private houses, can also facilitate illegal activities (e.g. cases in the United Kingdom of real-estate properties used as brothels or as accommodation for victims of sexual exploitation and human trafficking). These forms of investment seem to be well known to law enforcement agencies targeting organised crime. In fact according to the available data in Ireland, Spain, France, Italy and Finland, consistent portions of confiscated assets are real estate and registered assets, 14.5 % and 23.9 % respectively ⁽⁵⁾.

Money laundering is another important driver of organised crime investments. Large amounts of cash are often a by-product of illegal markets. This is confirmed by the significant weight of cash seizures in most European countries. Certain kinds of investment can facilitate the laundering of large amounts of money. Some sectors, such as real estate, gambling and cash-intensive businesses, can serve as a cover for movements of money. In recent years, there has also been a rise in the use of money service businesses to transfer funds across borders, for example by Chinese criminal groups from Italy to China. Businesses can also be shell companies, which merely 'produce paper' and legitimise financial flows. In this case, transactions between multiple companies registered in multiple countries make the origin of the funds difficult to trace.

Organised crime groups or individuals involved in illicit activities can also make investments in a strictly economic sense (i.e. for profit). The real-estate boom in Spain attracted 'clean' investors as well as criminals, as evidenced by the confiscation of real estate belonging to outlaw motorcycle gangs and British, Chinese, Irish, Italian and Russian OCGs in the popular coastal areas of Andalusia.

Often criminal methods increase the profitability of certain investments. Certain profitable sectors characterised by weak or developing regulation show evidence of crimes such as VAT fraud, fuel laundering and infiltration of public procurement, as seen in the previous part. Examples include oil and gas energy sectors in the United

Kingdom and Ireland, wind farms in southern Italy, types of construction and waste disposal with involvement of public administration and subsidies in France and Italy and the various facets of sport and gambling.

Other cases of investment have a more intangible advantage, in the sense that they are a visible sign of the power of a certain criminal group or individual in a specific area. Houses, cars and other valuable personal items can give prestige to the members of a criminal organisation and therefore the reputation of the group as a whole. These include the villas and luxury cars of Italian *mafiosi* in southern regions of Italy as well as the motorcycles of motorcycle gangs (such as Hell's Angels) in Germany, Finland and other northern European countries. Companies can also allow criminals to turn 'dirty money' into prestige and gain a greater social and political influence. This is highlighted by the case of a Chinese businessman and art collector in Spain accused of being a 'kingpin' of the Chinese mafia and charged with money laundering, tax evasion and forgery.

Despite growing evidence of organised crime investments in businesses, the confiscation of companies is still very rare in the European Union. While Italy alone has confiscated nearly 2 000 companies from mafia groups since 1983, this is still quite exceptional in the rest of Europe. This indicates a clear discrepancy between the known portfolios of organised crime and what is recovered in EU MS through confiscation.

CRIMINAL ACTORS

Both illicit and legitimate markets in Europe include a plurality of criminal actors. The analysis carried out for Project OCP, through a large-scale review of LEA reports, judicial evidence and academic papers, shows that criminal groups in Europe have different structures and internal organisations, ranging from large and well-structured criminal organisations such as Italian mafias and outlaw motorcycle gangs, to loose and flexible criminal groups, such as criminal gangs involved in drug-trafficking or fraud activities in

⁽⁵⁾ The data analysed here refer to statistics of Police Information System — Patja (Finland), Agence de Gestion et de Recouvrement des Avoirs Saisis et Confisqués — AGRASC (France), Criminal Assets Bureau (Ireland), Agenzia Nazionale per l'amministrazione e la destinazione dei beni sequestrati e confiscati alla criminalità organizzata — ANBSC (Italy), Plan Nacional sobre Drogas — PNSD (Spain). For further details see OCP final report (Savona & Riccardi, 2015, p. 249).



the United Kingdom or the Netherlands. It also emerged that some criminal groups are involved in specific illicit activities while others are also active in infiltrating the legal economy.

Criminal actors may be involved in different stages of illicit markets because of certain factors (e.g. territory, structure of the group). Various motives and opportunities to exploit different vulnerabilities influence the infiltration of the legal economy. Thus, the role of OCGs in both illicit and legal activities can take many forms.

Some criminal groups show high evidence of involvement in multiple illicit activities as well as infiltration of the legal economy in a large number of European countries. For example, Chinese OCGs have an important role in drug trafficking, trafficking of human beings, counterfeiting, illegal gambling and extortion racketeering targeting their co-nationals. Indeed, their involvement in the illicit trade of herbal cannabis and amphetamine-type drugs emerged in the Ireland, Italy, Netherlands and the United Kingdom. For smuggling purposes, they misuse transportation and logistics companies to traffic drugs or other illicit goods. There is also evidence that Chinese criminals exploit their co-nationals in the wholesale of clothes or force women into prostitution using massage parlours, bars and restaurants as fronts. They are also important actors in the counterfeiting of goods and digital piracy, where they cooperate with other local criminal groups (e.g. collaboration with Camorra in the counterfeiting industry in Italy). Beside frequent investments in specific legal sectors in Europe, Chinese criminal groups also invest criminal revenues in money transfer businesses, which are also used to send illicit funds to China (as evidenced by some police investigations in Italy).

Much evidence of the involvement of Russian (and Georgian) organised crime groups has been found both in illicit markets and investments in the legal economy, especially for the purpose of money laundering. Although they do not have a key role in illicit drug trafficking, according to the collected cases they play an important part in trafficking of human beings, illicit trade in tobacco products, fraud, firearms trafficking, organised property crime and extortion racketeering. In Spain, there is evidence that the proceeds of Russian criminal groups, for example from extortion, may be laundered through legal companies operating in several sectors including

construction, real estate, restaurants, retail and petrol stations. In Finland, cases of logistics companies and forwarding agencies related to Russian criminals have been connected to fraud and financial crime. Finally, import-export, wholesale trade and transport companies may prove useful for receiving or dispatching illicit or stolen goods from and to eastern Europe. There is also evidence of money laundering by Russian OCGs in the real-estate and hotel sectors.

Other criminal groups have a prominent role in several illicit markets, but there is little evidence of investment in the legal European economy. According to the reviewed literature, there are Turkish, Albanian and African criminal groups in several European countries (including Denmark, Germany, France, Netherlands and the United Kingdom). There are several reasons for this strong presence, including their low social standing in host countries, the immigrant diaspora, strong family ties in these communities and geographical proximity to trafficking routes. They are crucial actors in the supply of heroin in Europe, both as retailers and wholesalers. Albanian and Moroccan criminal groups play an important role as traffickers of cannabis resin in areas bordering their home countries (e.g. Albanian groups in Greece and Italy) and in areas considered entry points to Europe (e.g. Spain, France, Italy and Portugal). Cases of infiltration in the legitimate United Kingdom economy reveal that the investment of proceeds of drug trafficking in hotels and transport (e.g. taxi services) are both functional to as well as fronts for illicit activity. Turkish and Albanian criminals are also engaged in firearms trafficking as suppliers of weapons from the Middle East and the western Balkans. According to the evidence, these groups seem to operate mainly in France, Netherlands, and the United Kingdom, where they may also profit from extortion activities against co-national businesses and individuals. Legal businesses may be instrumental in the smuggling of illicit goods, including weapons and firearm components, or in maintaining territorial control and a cover for other illegal activities such as labour and sexual exploitation. In this regard, there is evidence of several investments in real-estate companies, bars and restaurants (e.g. kebab shops) and immovable assets. However, several sources stress that they may tend to send the illicit proceeds generated in Europe to their countries of origin.



Finally, some criminals have a more limited role in European illicit markets, but show a great propensity to invest in legal companies in specific territories and sectors. Among the Italian mafias, the Cosa Nostra and Camorra are involved in the distribution of heroin at various levels of the supply chain in Italy and France and the 'Ndrangheta seems to maintain a central role in cocaine trafficking in some European countries (e.g. Germany and Spain). Investments by Italian mafias in both Italy and foreign countries serve to facilitate illicit activities such as drug trafficking (e.g. wholesale trade, transportation and import-export companies), and fraud (e.g. petrol stations and renewable energy companies). Moreover, cases of investment in the construction industry and real estate in many European countries highlight the collaboration of Italian mafias with local criminals as well as their capacity to infiltrate the political and administrative sphere. Extortion racketeering and usury, mainly against co-nationals, provide additional proceeds to launder in the legal economy, both in Italy and abroad. For example in Spain cases of investment can be found in coastal areas (e.g. Andalusia and Galicia) in the real-estate sector but also in the wholesale trade of seafood products and the olive oil sector. In France and the United Kingdom, cases of money laundering by Italian mafias have been found in casinos, hotels and the sports-club sector. There is much evidence that Camorra, 'Ndrangheta and Cosa Nostra OCGs supply and manage VLT gaming machines, also directly infiltrating these businesses. In Italy, Italian mafias cooperate with other criminal groups in the illicit trafficking of firearms, the illicit tobacco trade and counterfeiting. The Camorra is historically involved in counterfeiting, often involving labour exploitation and investments in real-estate and wholesale businesses, especially in Campania, where they produce counterfeit products to export to other European countries. In this sense, wholesale and retail shops may be used both to launder illicit money and to sell fakes along with original goods.

Similarly, there is high evidence of the presence and activity of outlaw motorcycle gangs in the illicit and legitimate economy of Scandinavian countries (e.g. Finland), and less frequently in other European countries (e.g. Germany, Spain and Netherlands), with minor roles in drug trafficking, fraud, financial crimes, illicit firearms trafficking and extortion racketeering. Besides their investments in motorbikes and real estate, there are reports of financial involvement in tattoo

shops and the repair and retail sale of vehicles, supporting their biker criminal subculture. There are also cases of investments in hotels, bars and restaurants, construction companies and private security companies in several European countries (e.g. in Netherlands, Finland, and Sweden).

CONCLUSIONS

This paper provides a brief overview of the main results of Project OCP. It gives a first exploratory analysis of the organised crime portfolio in Europe using innovative methodologies and sources. The use of a transparent and replicable methodology for the estimate of how much criminals earn from illicit activities in European countries, and an analysis of criminal actors involved in various countries, may help practitioners to better understand the dynamics and economics of organised crime. Furthermore, the findings on OCG investments in the legitimate economy may strengthen the knowledge of law-enforcement agencies and enable them to target legal assets belonging to criminal groups.

This paper also highlights the different levels of vulnerability of territories, assets and business sectors across Europe and can be a starting point for future risk-assessment tools to reduce opportunities for criminal infiltration of the legitimate economy and to prevent organised business crime. Follow-ups to this project may help law-enforcement agencies to better identify changes in the behaviour of criminal actors (e.g. investments and concealment strategies), improving the tracing and confiscation of criminal assets.

From a policy perspective, Project OCP shows that data in this field are often scarce, of poor quality and difficult to compare across Europe. An improvement in the collection of statistics on confiscated assets, suspicious transaction reports, financial investigations and financial crimes can help researchers and practitioners to identify priorities and emerging phenomena. In particular, the results highlight the discrepancy between criminal investments and what European authorities confiscate. There is a need to increase the confiscation of companies by improving the tools to identify infiltrated companies (e.g. access to registries and effective IT tools), legal instruments (e.g. use of extended confiscation and third-party confiscation), and



management of assets (e.g. developing policies to preserve companies and jobs).

European institutions and national governments should address these challenges in cooperation

with LEAs, FIUs and AROs. Adopting an opportunity-reduction approach and focusing on high-risk situations may help accomplish these goals using fewer resources and with lower costs for European citizens.

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