

CROSS BORDER ORGANISED CRIME

THREAT ASSESSMENT 2018



POLICE SERVICE OF
NORTHERN IRELAND



AN GARDÁ
SÍOCHÁNA



FOREWORD

Organised crime groups (OCGs) continue to operate in Ireland (IRL) and Northern Ireland (NI); sometimes independently, but often cooperatively in order to maximise market control and profits. Regardless of political or religious beliefs, they frequently work together and will use the existence of a land border to their advantage when possible, for example in respect of smuggling offences, or simply ignore it, for example in respect of drugs supply.

As consumer habits change, with increased online purchases, we increasingly see similarities in 'black markets' being opened up and developed, impacting on communities in both jurisdictions. The world has become smaller in terms of product availability and this is true of both legitimate and illicit products. It remains essential for law enforcement to work together and learn from each other. Pooling our resources also allows us to more effectively disrupt OCGs operating on both sides of the border.

Tackling organised crime in partnership has long been recognised as a key part of policing in IRL and NI. OCGs are adept at taking advantage of any potential opportunities that may arise due to differences in law enforcement agencies and legislative systems. It is our job within law enforcement to stay ahead of these criminal groups. We do this through collaborative working; including regular contact between agencies, the sharing of information, and parallel and joint investigations. Strong working relationships exist between the Police Service of Northern Ireland (PSNI) and An Garda Síochána (AGS) and we continue to build upon this to the detriment of OCGs.

This report provides an insight into organised criminal activity on the island of Ireland. As we enter a period of further uncertainty in relation to BREXIT, the ability of law enforcement to work in partnership is even more important. We need to work together in order to identify any new threats or opportunities that may emerge as a result of a changing political landscape. Continuing to develop cross border cooperation between AGS and the PSNI remains a priority for both organisations and we look forward to building on our strong working relationship to protect and support communities on both sides of the border.



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POLICE SERVICE OF
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3.0 COMMON TRAVEL AREA

- The Common Travel Area (CTA) in existence between IRL and the United Kingdom (UK), provides major benefits (economic, cultural and societal) to those who live and work in both jurisdictions and enables and encourages the free movement of goods, money, people and information. It however also provides opportunities for exploitation by criminals, illegal immigrants and extremists who use the border to facilitate and enable criminality.
- The existence of a CTA between IRL and the UK has provided generational benefits economically, politically, and socially to a large number of residents in both countries. Unfortunately, the same freedoms that have benefited so many individuals also offer OCGs new avenues to exploit and profit from as well as providing a challenging environment for combating illegal immigration and the cross border movement of extremists.

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Circumvention of the Land Border

- The border between IRL and NI represents approximately 224 miles/360km of open demarcation between Lough Foyle and Carlingford Lough. Individuals can easily pass across several hundred road crossings and a vastly higher number of unmarked crossings without having to undergo any customs or law enforcement checks. OCGs abuse this freedom to enable and enhance their criminal activities, hoping to avoid detection and disruption operations by both law enforcement and agency partners. Criminality facilitated by the CTA includes smuggling illicit commodities (drugs, fuel, alcohol, tobacco, and firearms), moving stolen property, and facilitating immigration crime.
- Immigration crime is facilitated by both the CTA and the ease with which individuals can travel from ports of entry in one jurisdiction to ports of entry

in another. It is often easier to travel via the sea border from IRL to Great Britain (GB) via NI than it would be to travel via an airport. OCGs have been observed transporting individuals within the CTA most commonly, but not exclusively, from IRL to GB. These individuals then typically set about establishing an illegal presence within GB which is sometimes further facilitated by OCGs putting them at risk of further exploitation.

Future Threats

- The border between NI and IRL is the only land border within the CTA (and will be the only land border in the UK with an EU Member State post BREXIT) and this border (at this time) is completely open.
- The UK leaving the European Union has the potential to increase cross-border criminality. A number of NI based OCGs have the expertise to adapt and change, both to avoid detection by law enforcement partners and to exploit changes in profitability (including potential changes to trade agreements, etc.). It is likely that they will attempt to profit from any of these changes.
- It is possible that in the near future there may be changes to the overall operation of the CTA. While it is not clear what challenges and opportunities would arise from such changes, it should be noted that the interagency cooperation in the fight against criminal abuse of the CTA, in whatever form, will continue with the same determination as before.



4.0 ORGANISED CRIME GROUPS (OCGs)

- There are significant interactions and relationships between OCGs, operating on both sides of the border, which work together across a number of types of organised crime. Almost half of all OCGs investigated by the PSNI are known to have strong links and associations with OCGs based in IRL.
- Mobile organised crime groups (MOCGs) are an all-island issue and continue to have a substantial impact on incidents of domestic burglary in NI, as well as in all Garda Regions.
- A large proportion of these groups originate in the greater Dublin area and are based around extended family networks. These groups are organised and sophisticated in their activities and target homes which are vacant, focusing on cash and jewellery as well as firearms, designer goods and high-value vehicles. The disposal methods for such stolen property are also efficient and well organised. It is assessed that stolen jewellery is taken across the border to IRL, and then onto GB for disposal through a network of jewellers and 'cash for gold' operators.
- The threat, risk and harm posed by such groups is increased by their targeting of older people. While these groups generally seek to avoid confrontation, interaction with injured parties poses an inherent risk – *see case study 1, opposite*.
- Operating across two jurisdictions increases difficulties for police on both sides of the border. Offenders are highly forensically aware and, therefore, forensic opportunities are very limited. They demonstrate keen awareness of police tactics and are constantly changing and evolving their methods of operation to avoid detection. They also demonstrate extreme recklessness on the roads.
- The border between both jurisdictions plays a significant role in the crimes attributed to these groups, with movement back and forth regular and uninhibited. It remains to be seen what, if any, effect BREXIT will have.
- The Cross Border Joint Agency Task Force has focused resources on tackling MOCGs, through joint working and days of action.
- The MOCGs pose specific seasonal risks through burglaries of Chinese and Indian minorities, targeting cash and gold particularly during the festivities associated with Chinese New Year and Diwali. This is an issue in both jurisdictions.

CASE STUDY 1

January 2018 - the PSNI received a report of a burglary in Aughnacloy, Co Tyrone during which an 83-year old lady had been seriously injured. It transpired that a number of individuals had broken into her home and, in fear, she jumped out a first floor window. Police were aware that a particular vehicle had been involved, which had also been linked to a number of other, similar, burglaries in the area. Despite having false registration plates fitted, the vehicle was identified and recovered by Gardaí near Dundalk. Working with AGS, the investigating officers in the PSNI were able to determine that the vehicle had been purchased by a number of individuals from the Tallaght area of Dublin, who are part of large family-oriented group of offenders.



5.0 CROSS BORDER ORGANISED CRIME

5.1 DRUGS

- The social and economic cost of drug abuse are of foremost concern to communities across the island of Ireland. At every level of the drug trade there are significant negative effects on public health, public safety and economic security. The drug market on the island of IRL is truly unified with supply sources and OCGs operating on an 'all-Island' basis. This represents challenges for law enforcement and its partner agencies which are countered through well-established cooperation channels between AGS and PSNI and with other agencies.
- While the more traditional drug importation routes remain in place on both sides of the border, the advent of the 'dark net' as well as the development of numerous, bespoke, psychoactive substances and the abuse of prescription medications, has led to significant diversification in both drug abuse and OCG activity.
- Of the four 'traditionally known' illegal drugs (cannabis, cocaine, heroin, and MDMA) **cannabis** retains its status as the most widely used / abused drug across both jurisdictions. At approximately €20/£20 per gram it remains incredibly lucrative for OCGs engaging in wholesale importation and distribution. The majority of cannabis seized in IRL is in the form of shaped blocks of cannabis herb or cultivated cannabis plants, but cannabis resin as well as other derivatives, such as cannabis oil, are present in significant quantities.
- The two most common sources of illegal cannabis are Irish national OCGs, who dominate the important routes, and grow-houses. While the cultivation of cannabis in grow-houses has been a long established trend among OCGs of foreign extraction (for example Vietnamese and Polish OCGs) and was greatly exacerbated by the increase in vacant housing stock following the financial crisis of 2008, Irish national OCGs are also heavily active in this area.
- Developments in other jurisdictions present functional and policy challenges in IRL and NI. Liberalisation of cannabis in other jurisdictions will lead to innovation in the cultivation of cannabis plants and manufacture of cannabis products, including cannabis-infused food products, personal care products, supplements, and new consumption technology (for example odourless vaporiser pens) in both jurisdictions. These new products and industrial methods provide OCGs with opportunities to maximise their profits and to, potentially, spread their risk across different





distribution channels. It is highly likely that much of this activity will be facilitated by 'dark net' marketplaces.

- The improving economic conditions in IRL over recent years has also led to a resurgence in demand for so called 'party' drugs, i.e. **cocaine** and **MDMA** (and related drugs). Retailing at approximately €70/£60 per gram and in constant demand across a wide variety of areas from urban centres to rural villages, cocaine is second only to cannabis in its attractiveness for OCGs. It is as yet unclear if the consumption of cocaine has returned to its 2007 peak and stabilised, but anecdotal evidence suggests that such a return is likely to occur soon if it has not already happened.
- With the significance of new psychoactive substances (NPS) having been reduced through legislation and law enforcement efforts, cocaine is certainly the predominant illegal stimulant in IRL. In a similar vein, MDMA and related drugs have seen a resurgence in popularity in recent years resulting from the economic recovery. These drugs share their market segment with other substances such as ketamine, designer drugs, and illegally obtained prescription drugs. While these drugs are well-suited to modern distribution channels such as the 'dark net', they often remain as a small portion of drugs being imported by OCGs which deal primarily in cannabis, cocaine, and heroin. OCGs involved in 'poly drug' dealing tend to be smaller in size than traditional wholesale importers and this can make tackling the problem at a strategic level much more difficult.
- In previous threat assessments, crack cocaine has been noted as present in the Irish drug markets for over a decade. While previously assessed as being principally a drug of misuse by people already suffering from heroin addiction, it has become a larger problem for law enforcement and local communities in recent years. While still not a drug of national scale, **crack cocaine** will require increasing attention into the future. Several countries have experienced significant issues with the societal fallout from crack cocaine addiction and it has the capacity to ruin lives in a magnitude similar to heroin.
- **Heroin** remains a significant societal and law enforcement problem in both IRL and NI. While the Greater Dublin area retains its status as the most problematic area for heroin, in the past few years related issues which have been seen in Dublin are now being witnessed in small urban centres and even in rural towns and villages. An analysis of opium use has seen the prevalence outside of Dublin more than double during the period 2001-2014 while use inside the capital fell slightly (although both rates have been stable for the better part of a decade). It can therefore be said that the heroin problem in IRL is both stable and entrenched. It is estimated that roughly 71% of opiate users are living in Dublin with the remaining 29% spread across the rest of IRL. It would appear that the age profile of heroin users in IRL is skewing towards older people, with more than half of estimated users being over 35 years of age, which is almost double the figure from 2006. In NI the most problematic area for heroin remains Belfast City Centre with a visible presence of drug use on the streets on an almost daily basis.
- The phenomenon of synthetic opioids has been a feature of Irish OCG activity since at least 2016. While seizure statistics remain relatively low, it should be noted that as little as 0.02 milligrams of the synthetic opioid carfentanil can cause a fatal overdose. Such dangerous drugs have become common in other jurisdictions, leading to epidemic levels of opioid abuse with a very high rate of overdose.

Synthetic opioids are available in bulk from countries such as China and can be very difficult to detect as they can be manufactured in legitimate facilities. Although IRL and NI are not experiencing a similar crisis, OCGs are mixing synthetic opioids into heroin, as well as cutting synthetic opioids with bulking agents and selling the substances as heroin. The additional health risks associated with these activities are evident. There is also a percentage of OCGs which intentionally introduce synthetic opioids into the drug supply chain, the consequences of which potentially pose a severe health risk to users. This is, therefore, a serious issue which will require continuing attention and constant monitoring, given the ease with which accidental, and intentional, death can occur as a result of exposure to such substances.
- The abuse of illegally obtained **prescription medication** has become an issue of significant concern in both jurisdictions in recent years. This phenomenon involves both the importation and distribution of final-form pharmaceutical products and the manufacturing of tablets for sale from bulk chemicals. Many heroin users are also taking benzodiazepines (e.g. alprazolam) and / or, so-called, 'Z' drugs (zopiclone, zolpidem). These drugs are used either to enhance the effect of a drug or to ameliorate negative effects. Outside of these uses, the market for illicitly sourced pharmaceutical products has grown noticeably in recent years. Many people are taking these substances in addition to [prescribed] medication for pain management and medication to enhance cognitive and/or physical functions. Another identified trend is the



use of drugs such as amphetamines in third-level institutions, which are frequently abused for a short-term gain, with potentially dangerous long-term consequences. These drugs may also be abused alongside 'party' drugs. The combating of the illegal sale of pharmaceutical products is becoming increasingly difficult as the involvement by legitimate businesses and pharmacies supplements both 'dark net' and OCG sources. The abuse of prescription drugs will become an issue of strategic importance in coming years.



CASE STUDY 2

March 2018 - as part of a proactive Cross Border Joint Agency Task Force investigation alongside AGS and Irish Customs, in respect of an OCG involved in the importation, sale and supply of large quantities of controlled drugs, the PSNI carried out an intervention in Dromore, Co. Down. Herbal cannabis, with an estimated value of £1.3m, was found in vacuum-packed plastic bags in a large fuel tank delivered from Spain.

Five persons were arrested at the scene with three further arrests following enquiries. Three were subsequently charged with fraudulently importing; being concerned in the supply of; being in possession of; and being in possession with intent to supply a Class B controlled drug.

CASE STUDY 4

November 2017 - police conducted two searches under warrant and found a large quantity of herbal cannabis, resin, cocaine and cash secreted in adapted 'hides' at both properties. The controlled drugs have an estimated value of £300k. Two arrests were made and the persons were subsequently charged with the related drug offences.

CASE STUDY 5

March 2018 - Customs Officers identified a consignment of cannabis concealed in a palletised tank being imported via Dublin Port and for delivery to an address in Lurgan. A Cross Border Joint Agency Task Force operation was put in place and the shipment was monitored from Dublin to Co. Down. The operation resulted in the seizure of 66kgs cannabis resin and the arrest of five individuals in NI as well as the seizure of mobile phones, documents and a quantity of cash.

CASE STUDY 3

October 2017 - police stopped and searched a vehicle in Newry. A small quantity of cocaine was recovered along with a large quantity of cash. During follow up searches, police located a further quantity of cash, four packages of cocaine and a package of benzocaine. Forensic testing established that the cocaine ranged in purity from 84% - 92%, with an estimated value of £200k. The driver was arrested and charged with possessing criminal property; possession of a Class A controlled drug; and possession of a Class A controlled drug with intent to supply.





CROSS BORDER OCGs AND DRUG CRIME

- The primary cross-border aspects of drug crime on the island of IRL are the control and supply linkages between OCGs in IRL and those in NI.
- There is significant collaboration between Irish and Northern Irish OCGs, but the strongest collaborative links are within foreign national OCGs which view the island as a single market.
- The Dublin to Belfast supply routes remain the most important for cross-border organised crime and have been greatly facilitated by the ease of travel along our connected motorways and public transport routes.
- OCGs in IRL are facilitating access for Northern Irish OCGs to drug markets in Spain, the Netherlands, and even GB. As a result of this, inter-agency cooperation between IRL and NI quite often takes on a broader international dimension. AGS, PSNI, Her Majesty's Revenue and Customs, and Revenue Commissioners have ongoing engagement with international law enforcement bodies and several international operations have been carried out aimed at cutting off drug supply routes into both jurisdictions.

5.2 HUMAN TRAFFICKING

- The exploitation of human beings poses significant societal and law enforcement challenges in both jurisdictions. Whether through human trafficking or otherwise, these activities represent some of the most serious offences against a person. OCGs in both jurisdictions are actively exploiting human beings for financial gain. The true impact of this crime remains difficult to quantify though all stakeholders continue to be dedicated in bringing those involved to justice, through interagency cooperation and joint training & development. The role of law enforcement agencies in both jurisdictions to identify the victims in these particular crime types and to dismantle and disrupt the OCGs engaging in human exploitation are essential in targeting this type of criminality.
- The exploitation of human beings takes place in many formats, including online and can be enabled by online marketplaces and content delivery systems. The growth of the 'dark net' has enabled OCGs to profit from exploitation in a broader and more secure manner. Combating human exploitation therefore requires significant investment in ICT resources alongside physical enforcement measures.
- There are significant cross-border elements to all types of human exploitation occurring on the

island of Ireland. OCGs use the border and differing legislative provisions between jurisdictions to facilitate human trafficking as well as using the CTA to have operating bases on both sides of the border.

- Reports of modern slavery and human trafficking offences in NI increased to 31 reports [+47.6%] in 2017 / 2018, compared with the previous year, with the PSNI referring a total of 36 [17 males and 19 females] potential victims of human trafficking (an increase of 2 from the previous year) to the National Referral Mechanism (NRM). The NRM is a framework for identifying victims of human trafficking or modern slavery and ensuring they receive appropriate support.
- NRM referrals continue to increase in NI with 32¹ to date in 2018/19 (compared to 36 for the whole of 2017/18)
- The most common referred type of exploitation in NI during 2017/18 was labour exploitation, followed by sexual exploitation.
- During 2017/18, the PSNI Modern Slavery and Human Trafficking (MSHT) Unit conducted 173 screening assessments (a process to safeguard victims through early recognition and subsequent intervention). The number of screenings reduced from 308 in 2016/17, a reflection of a more targeted approach.
- In 2018 IRL has seen a larger proportion of human trafficking cases involving trafficking for the purpose of labour exploitation, which is of concern, particularly in certain industries with the fishing industry being especially susceptible.
- There are currently several cross border enforcement operations ongoing between AGS and PSNI, with both police services targeting OCGs involved in organised prostitution, modern slavery, and CTA enabled human-trafficking.
- AGS and PSNI also engage in joint training, to build a common knowledge-base and to put in place best practice for anti-human trafficking enforcement in both jurisdictions.
- As well as consolidated law enforcement responses, successfully combating human exploitation requires engagement with the wider community as well as stakeholders in the non-governmental sector. Education and creating awareness, within the wider community, in identifying markers for human trafficking is an important aspect in enforcement.
- Recent operations in the area of human exploitation are targeting both the trafficking routes and the operations of OCGs post-trafficking.

¹ As of 03/10/18



Joint AGS / PSNI / National Crime Agency [NCA] operations have identified abuses of the CTA designed to traffic victims through IRL and NI and onto GB.

- There are currently several joint AGS / PSNI operations targeting OCGs engaged in sexual exploitation on the island of Ireland. OCGs have been identified and their activities have been subject to disruption with large scale international efforts being made to dismantle their human trafficking infrastructure.
- The UK exiting the European Union may also affect how MSHT manifests in NI. NI is in the unique position of being the only part of the UK which has a land border with an EU Member State. Regardless of how the border is maintained, it is likely that NI could be seen as a possible weak point within the UK infrastructure by criminal groups that would seek to exploit this by trafficking commodities and people across the border.
- Increasing numbers of MSHT investigations will require continued multi-department, multi-agency and multi-national cooperation.

5.3 CRIMINAL FINANCES

- Money-laundering, worth multi-billion Euros / Pounds, annually is a global business to which the island of Ireland is not immune, with commercial and financial industries on both sides of the border, having the capacity to carry out money laundering. Dublin's status as a well-developed financial market creates an inherent risk to potential exploitation, with every business susceptible to (and sometimes willing participants in money laundering).
- Cross border OCGs are active at every level of money-laundering, with the most common form utilising cash intensive businesses, such as car washes and restaurants, which are also vulnerable to human-trafficking, for labour-exploitation purposes. These businesses take in moderate amounts of cash flow from OCGs and mix it with their legitimate takings which are then banked or distributed in cash.
- Money-laundering can often be described as turning criminal money into 'clean' money but it is, more precisely, turning criminal money into a legitimate source of value. This means that OCGs are adept at using the proceeds of their illegal activities to procure precious metals, prepaid debit / gift cards, jewellery, gemstones, cryptocurrencies etc. These items are easily converted into cash and can add further layers of transactions to evade law enforcement. Most of these items will

hold their value for a long time and may even appreciate.

- Money Service Businesses (MSBs), providing either currency exchange or transfer facilities, are widely and extensively used by OCGs to move and legitimise profits. In many cases, a barrier to money-laundering in these businesses is the employees, who are processing these payments. This process is, naturally, vulnerable to cooperation between MSB employees or indeed criminal MSBs in general. OCGs can arrive at a business with cash and, for a moderate fee, receive 'clean' currency or, for an associate in another jurisdiction, transact a 'transfer of money'. International experience has proven the existence of illegitimate MSBs, within certain communities, which offer well-established, but less traceable, international financial transfer services. The recovering property sector in IRL including resurgence in property development, involving many participants in the purchase of land, labour, and materials, provides an opportunity for money-laundering by OCGs.
- There are many methods by which criminals can launder money, however, the use of 'mules' has increased. This involves a person's bank account being used to receive monies which have resulted from a criminal act i.e. a fraud perpetrated against a victim, and the stolen money is transferred into the 'mule' account where it is subsequently withdrawn and transferred back to the criminals, with the account-holder, on most occasions, being paid a 'fee' for the use of their account. Those involved in this type of criminality see it as 'low risk - low harm' and an easy way to obtain cash. However, being involved as a 'mule' account, the account-holder is laundering the proceeds of crime, which is a serious criminal offence, liable to a maximum sentence of 14 years in prison being imposed, if convicted. Those involved in this type of criminality have also been identified as having links to dissident paramilitary groupings in NI.
- In 2017, the PSNI's Economic Crime Unit (ECU) established a dedicated team focused on restraining and confiscating criminal assets. In addition to actively pursuing all available opportunities to restrain and confiscate criminal assets, the Asset Confiscation and Enforcement (ACE) Team actively seeks enforcement of existing Confiscation Orders, to further frustrate and disrupt criminal activity and prevent criminals benefiting from their ill-gotten gains.

The ACE Team works closely with a number of PSNI teams, including the Organised Crime Unit and MSHTU. By providing expert advice, guidance and investigative support the ACE Team helps these Units maximise opportunities to frustrate



and disrupt organised criminality by depriving them of funding necessary for their criminal enterprises. The ACE Team also regularly works with partner agencies with the objective of helping them identify, restrain and confiscate criminal benefit.

CASE STUDY 6

An investigation is ongoing into an individual who is believed to have significant links to both domestic and international OCGs for offences including fraud, money-laundering and offences contrary to the Representation of the People Act 1983 and involves officers from:

- Police Service of Northern Ireland Economic Crime Unit
- Garda National Economic Crime Bureau
- Her Majesty's Revenue and Customs
- Criminal Assets Bureau
- National Crime Agency

Law Enforcement in both jurisdictions alongside Europol and Eurojust have made substantial progress in this investigation, including the seizure and restraint of assets. Information obtained in this investigation provided links to multiple fraudulent applications, using assumed or fraudulent identities, to banks and other organisations and to the laundering of suspected proceeds of crime through bank accounts belonging to 'shell' companies. The investigation remains ongoing.

CASE STUDY 7

An investigation into the use of fraudulently obtained bank accounts to launder criminal assets was commenced as a high-end money-laundering and fraud investigation. The investigation relied upon cooperation between the PSNI, National Crime Agency, Her Majesty's Revenue and Customs, AGS, Criminal Assets Bureau (CAB) and the Irish Revenue Commissioners and involved numerous cross-border meetings to progress the investigation. This level of inter-agency cooperation allowed the investigation to be scaled and targeted thereby meeting any challenges arising during the investigation, which has now concluded. In furtherance of the criminal investigation, the subject and a number of associates, who were identified during the course of the investigation, are currently under consideration for potential Civil Recovery intervention under the Proceeds of Crime Act 2002.





5.4 RURAL / AGRICULTURAL CRIME

- Delineating between rural and urban crime has been a significant challenge in cross border cooperation in recent years. While the issues which disproportionately affect rural communities are well-established and understood, they are, quite often, a subset of more general crime that affects the wider society. It is therefore important to understand the scope of the issue and the dedicated law enforcement response required to address it, especially in the border area where unique challenges exist.
- Cooperation between AGS and PSNI has centred on identifying issues, especially criminality and those involved in committing crime, which are common across both jurisdictions and attempting to extract the closest crime types for analysis and active operational policing responses, particularly in the border region. This criminality routinely centres on burglary and theft-related offences, in particular the theft of livestock, but also include driving offences and crimes against the person which impact every community. Often crime prevention is hampered by the ease with which criminals can cross the border into a different jurisdiction.
- To combat the enabling effect of the border, AGS and PSNI have progressed joint actions in the areas of operations, intelligence, and analysis. This culminated in days of action in May, July, and August 2018. A specific operational focus was given to the activities of OCGs involved in burglary, wherein crossing the border was a key part of their MO (along with stealing cars in one jurisdiction for use in the commission of their crimes in the other).
- The results of successful cross border operations are currently the subject of detailed analysis to refine our joint efforts to target OCGs and individual criminals operating in the border area. While the analytical outcome of this particular phase of joint operations targeting OCGs operating along the border is outstanding, it is evident that the continuing of such cross border cooperation activities forms a successful blueprint for future joint policing initiatives.
- In NI, statistics for agricultural crime remain similar to those in GB, although well reduced compared to recent years with thefts of farm machinery and livestock the two biggest trends. The border with IRL is assessed to be a factor, with stolen machinery crossing the border as the main route out of NI. Again, it is considered that legislative implications resulting from BREXIT may well impact on the investigation of this type of criminality.

Cross Border OCGs and Rural / Agricultural Crime

- MOCGs, as referenced above, have been a concern on the island of IRL for several years with a number of MOCGs operating island-wide at any one time. This OCG grouping is also a transient threat for GB. These groups specialise in carrying out burglaries in rural areas quite often targeting isolated and vulnerable individuals. They are also heavily involved in plant / agricultural theft and burglaries against commercial premises.
- The border is a key facilitator of this criminality and also allows MOCGs to carry out crime sprees in both IRL and NI with an increased frequency. These groups base themselves in one jurisdiction in order to carry-out thefts and burglary in the neighbouring jurisdiction before easily reversing the modus operandi.
- MOCGs often target specific goods over a certain period of time. A particular vehicle type or model may be solely targeted or jewellery may be preferred over other valuables. Such criminality can have a traumatic effect on individuals and the wider community.
- AGS continues to run Operation Thor as the national anti-crime strategy to provide operational and analytical resources to counter the crimes most often associated with MOCGs. Operation Thor has had significant success in disrupting the activities of recidivist burglars and similar organised criminals since inception. AGS has deployed a full suite of policing tools including IT systems, checkpoints, public confidence patrols, and intelligence-led interventions. The success of Thor in tackling these crimes has also led to the deployment of resources to combat crimes against the person and public order issues which can often have a similar effect on border communities.
- Limited intelligence also suggests that OCGs are willing and capable of using drone technology in the planning stage of their criminal activities, including transporting illicit cargoes across borders.
- AGS continues to successfully operate a property-marking scheme introduced in 2017. To date this scheme has led to the restoration of a large number of stolen items as well as acted as a deterrent for OCGs. The scheme has been adopted to such an extent that AGS and PSNI are currently exploring ways for the PSNI to adopt a similar scheme and for a mirroring of programmes across both jurisdictions.



CASE STUDY 8

April 2018: As part of a joint investigation into criminal activity involving cross-border livestock, a multi-agency search was conducted in Killanny, Co. Louth. Officials from the Department of Agriculture, Food and the Marine accompanied by appropriate officers from AGS, the Food Safety Authority of Ireland and Monaghan and Louth County Councils discovered an illegal abattoir which had been slaughtering significant quantities of livestock. The premises was closed by authorities, as it represented a health-risk to consumers across the island of Ireland.

CASE STUDY 9

September 2018: Following an aggravated burglary in Co. Donegal, members of AGS circulated a description of the suspected offenders to colleagues in the PSNI who subsequently stopped the vehicle used in the commission of the offence. The two individuals travelling in the vehicle were arrested, charged, and sentenced to a custodial sentence in NI, while AGS continues to liaise with PSNI in their ongoing investigation into the aggravated burglary.

5.5 IMMIGRATION CRIME

- Circumvention of immigration legislation creates a myriad of dangers for the individual involved as well as the jurisdiction they are entering, illegally. Aside from the risk of falling victim to various forms of exploitation, illegal migrants can find themselves unable to receive necessary services such as healthcare. In addition, unchecked entry of individuals in any jurisdiction can cause serious public health and public safety issues. Unfortunately, the CTA provides the same benefits to persons residing in IRL and NI irrespective of their legal status.
- OCGs have utilised the borders between IRL / NI /GB to great effect in the facilitation of illegal immigration with seaports and airports used to transit people between the three jurisdictions.
- OCGs facilitating the creation of so-called 'Marriages of Convenience' between EU nationals and non-EU nationals have been under detailed investigation by law enforcement on the island of Ireland for several years. These OCGs often provide other services to facilitate this criminality, including providing fraudulent documentation giving 'legitimacy' to the proposed marriage and the manufacturing of an electronic 'relationship footprint' on social media. Quite often citizens from less wealthy EU countries are paid to travel to IRL or NI in order to marry a non-EU national, thereby enabling that person to obtain EU-immigration status. To date IRL has issued over 200 Deportation and Removal Orders under one strand of the investigation of and enforcement in relation to the status on marriages of convenience.
- Investigation of immigration crime also requires a commitment to cooperate with international partners worldwide and especially within the European Union. AGS and PSNI have taken part in joint operational activity and knowledge-sharing, at the European level, to assist in reducing opportunities through illegal immigration routes and to prosecute the OCGs which operate them.
- Liaison between AGS, Irish Naturalisation and Immigration Service (INIS), PSNI, and UK Immigration Enforcement (ICE) is currently focusing on joint operations in the border area to disrupt OCGs assisting people in transiting the border.
- The migrant crisis in the Mediterranean has yet to have a notable effect on illegal migration flows on the island of Ireland, but it is worth noting that OCGs have tried to facilitate the travel of individuals from that region into/through IRL and onto the UK. Mitigation and investigation will require significant cooperation and resource allocation, in particular in the supports to be provided to persons so-trafficked, as these individuals originate from conflict-zones.
- Enquiries are also ongoing in relation to evidence indicating that some South Asian nationals have been exchanging cancelled UK driver's licences for valid Irish licences and then applying for PSV (taxi) licences in IRL.
- It is reported that Afghan nationals are being smuggled into the UK in trucks via NI, with drivers driving into IRL, from NI, without cargo, returning into NI carrying illegal migrants. Investigations are ongoing to establish how the Afghan nationals are getting into IRL in the first place.
- The UK Immigration Enforcement (ICE) works closely with AGS on cross-border investigations into organised CTA abuse, including facilitators, smugglers and document producers. The Agency is continuing to intervene, through its overseas networks, to disrupt OCGs operating abroad and provides intelligence to the visa-issuing authorities to prevent inadmissible passengers from travelling



to the UK. This process is building on work already being conducted with immigration officials in IRL, to ensure that individuals who would not be admissible to either jurisdiction are unable to travel to the CTA.

CASE STUDY 10

June 2018: Following a long running investigation into Georgian OCGs facilitating illegal immigration and mutual assistance between Garda National Immigration Bureau (GNIB) and UK authorities, seven persons were brought before the Courts for offences related to illegal immigration. Joint operational activity was also carried out with members of GNIB assisting in the search and arrest phase in the UK.

CASE STUDY 11

February 2018: A Bangladeshi national who had been unsighted for almost six years (having failed to appear before the Courts, in 2012, on charges relating to organising a 'sham' marriage) was encountered by the NI team while working, illegally, in a restaurant. He had been convicted in his absence. He was returned before the Courts in 2018, where a four-year sentence was imposed - two years in prison and two years on licence. He will be deported on completion of his sentence.

CASE STUDY 12

February 2018: Following a tip-off from IRL, NI immigration officers intercepted a Romanian national en route to GB, who was the subject of a UK Deportation Order. The man has a criminal record for several serious criminal offences, including more than a dozen convictions in the UK, for offences including child-kidnap, indecent behaviours and assaulting a police officer, as well as having served a five-year prison sentence in Romania for child rape. He was prosecuted in the Belfast courts and received a four-month jail sentence. He was deported to Romania on completion of his sentence.



5.6 FINANCIAL FRAUD – PUBLIC AND PRIVATE

EXCISE FRAUD

- Excise fraud across the NI / IRL border is an area of serious concern to Her Majesty's Revenue and Customs (HMRC) and the Revenue Commissioners in terms of lost revenue. The border represents a risk specifically in terms of fuel & tobacco smuggling and fraud due to the nature of Organised Crime Group (OCG) activity and the ease with which OCGs can conduct their business, in either jurisdiction.

TOBACCO

- Tobacco fraud typically involves the trade in :
 - Counterfeit tobacco products (both cigarettes and hand rolling tobacco - HRT).
 - 'Illicit White' cigarettes which are manufactured legally overseas often in emerging economies where little regulation exists, with the intent of being exported illegally to other countries via a smuggling network.
 - Illegal or smuggled non-duty paid tobacco products.
- In IRL, tobacco smuggling primarily involves the importation of large quantities of "illicit white" cigarettes which are manufactured in Eastern Europe and Asia. Intelligence indicates there has been a move away from large container-loads of illicit tobacco products and that illicit tobacco is now being brought into the country in smaller quantities and groupage loads, which are more difficult to detect. The threat from OCGs smuggling counterfeit cigarettes into IRL and the UK remains the highest threat to HMRC and the Revenue Commissioners, in terms of



tobacco fraud. The number of illicit production facilities reported as producing counterfeit cigarettes for the UK market remains at a high level. The discovery of a substantial illicit tobacco factory in IRL in March 2018 demonstrates the capability of OCGs known to be facilitating illicit production. This factory was known to be exclusively supplying the UK market, with seizures of cigarettes in the UK traced to this factory. The smuggling of raw tobacco is also an essential component element to facilitate the illicit production of cigarettes.

- The modus operandi for cigarette smuggling has changed in recent years. Tobacco products continue to be imported into NI via postal services and fast parcel post in packages varying from 200

to 1500 cigarettes and up to 1.5kg of hand rolling tobacco. OCGs are commonly using legitimate business 'hubs' to smuggle smaller volumes of tobacco products. While this makes smuggling more difficult to detect, HMRC and the Revenue Commissioners are adapting their profiling, research and analysis methods to effectively monitor illegal movements of tobacco and cigarettes. Smuggled products originate primarily from the near continent; however there have been seizures of tobacco products originating from Vietnam, UAE, China, Singapore, Ukraine and Belarus among others. A recent seizure of 8 million 'Richman' brand 'illicit whites' cigarettes at Belfast Port, in February 2018, originated in Singapore.

CO. LOUTH - TOBACCO FACTORY





CASE STUDY 13

February 2018: as the result of an investigation led by the Revenue Commissioners, a factory, manufacturing cigarettes, was uncovered in Co. Louth which contained a full production facility for making cigarettes, with 23.5 million cigarettes and 71 tonnes of raw tobacco (which would manufacture a further 71 million cigarettes) found at the site along with tobacco precursor materials including cigarette filters, cigarette paper, filter paper, packaging and other materials essential to the production of cigarettes. This find represents one of the large illicit production facilities ever detected in Europe. Eleven persons, working in the factory, were arrested by AGS. In July 2018, one of the factory workers received a 12-month prison sentence. Another worker pleaded guilty and is awaiting sentencing.

FUEL

- Fraud relating to the smuggling of fuel remains a major issue in both IRL and NI.

In the UK, HMRC's comprehensive and dynamic anti-fraud strategy has driven down the NI illicit diesel market share, from an estimated 19% in 2005-6 to 6% in 2016-17. An analysis of results of Revenue's National Random Sampling Programme, published in 2015, shows that the series of revenue compliance initiatives from mid-2012 onwards have resulted in significant changes in the patterns of marked gas oil (MGO) and diesel clearances. Extrapolating trends pre-2013 against current clearances suggests that revenue compliance initiatives may be responsible for lowering MGO clearances by around 40 million litres in 2014 (product that could otherwise have been destined for being laundered) and increases of legitimate diesel clearances, between 245 million to 295 million litres per annum.

- Clearances of MGO from tax warehouses dropped significantly in 2013 (-2.2%) and 2014 (-9.4%) and were stable (+0.3%) in 2015 despite the strengthening economic recovery which saw auto-diesel clearances rise in the same year (+9.1%).
- While partially anecdotal in nature, these indicators confirm positive feedback from the legitimate fuel trade to Revenue and a marked reduction in MGO supply to suspected 'high-risk' traders. These findings are further supported by fewer discoveries of sludge dumps (the waste product from laundering) in recent years in the State. In the nine-month period April to December 2014, Louth and Monaghan County Councils

recovered a combined total of 606 sludge-filled intermediate bulk containers. In the corresponding period in 2015, this figure dropped to 250, a 59% decrease.

- Both Governments are committed to tackling all forms of fuel fraud and close working partnership remains in place between UK and Irish law enforcement agencies to target and tackle fuel-related criminality, utilising a range of measures to identify changing risks and emerging trends and threats.
- The UK and IRL introduced a new fuel marker, Accutrace™S10 in 2015, which is resistant to traditional laundering methods, making it much harder for criminals to launder marked gas oil and kerosene obtained from either side of the border and sell it at a profit. There has been a downward trend in the number and size of fuel-laundering plants uncovered, compared to prior to the introduction of the new fuel-marker. This is consistent with an overall shift away from illicit laundering, as OCGs are forced to experiment with more sophisticated, and often dangerous, methods as they seek to defeat the rebated fuel marker.



- In recent years a threat posed by 'designer fuels' has been recognised. These are fuels which have had their chemical make-up changed, such as by the addition of lubricants and bio-fuel blends to diesel. While the high diesel content of the



designer fuels makes it possible for them to be used as road fuel, their make-up means that they are classified as lubricants under specific Customs Tariff (CN) codes. As these tariff codes fall outside the scope of intra-EU movement controls (EMCS) the fuels may move across EU borders without supervision, using only commercial documentation. Excise fraudsters take advantage of this to import these fuels with the intention of putting them to road use, without payment of excise duty. The issue of designer fuels is present across Europe and both HMRC and the Revenue Commissioners have increased their focus on tackling this emerging trend.

- Criminals operating in this sector do not limit themselves to one form of illicit activity and the enforcement agencies in both jurisdictions remain alert to the continued efforts of well-funded OCGs to smuggle fuel across the border and to find ways to remove government [fuel] markers from rebated fuel. Continued multi-agency, cross border cooperation is a key element of the targeted operational activities in NI and IRL aimed at responding quickly and decisively to detect and prevent this type of illegal activity.

CASE STUDY 14

September 2018: During the month of September both AGS and PSNI discovered a new form of oil-distillation plant designed to launder diesel fuel for onward illicit sale, which involves the use of highly dangerous chemicals and heavy duty machinery. One plant, located in Killcurry Co. Louth, was utilising free-flowing water in its operations. The use of sulphuric acid and high temperatures can lead to explosions, as well as water contamination, causing damage to property and endangering the lives of those involved, and those nearby. The law enforcement agencies, AGS and PSNI, liaise with the relevant local authorities, environment protection agencies and fire services.

ALCOHOL

- Alcohol fraud mainly occurs through excise duty fraud, the smuggling of alcohol from countries with lower alcohol tax rates and production/distribution of counterfeit spirits. The following modus operandi have been used to commit excise diversion fraud:
 - a) 'Mirror' Loads – multiple use of ARCs (excise movement documents)
 - b) Fraudulent receipt of consignments;

- c) Volume of products in excess of the declared amounts;
 - d) Outward diversion fraud - A consignment dispatched under duty suspension by a tax warehouse in the State to another tax warehouse in another Member State with a much lower excise duty rate than IRL.
- Separately, there are also a number of methods adopted to smuggle alcohol, including:
 - a) Removal from the duty suspended system and onward supply;
 - b) Smuggling of alcohol from countries with lower alcohol taxes;
 - c) Under declaring the quantities of alcohol purchased from other Member States;
 - d) Irish traders selling alcohol, without having the required excise licence to be involved in alcohol trading and without the payment of excise duty.
 - Inward diversion (the abuse of duty suspended alcohol movements) continues to offer the maximum profit-to-risk ratio for OCGs and provides a method to move large volumes and, therefore, remains the greatest revenue risk within alcohol fraud. OCGs are suspected of continuing to abuse duty suspension rules to move multiple loads of alcohol under a single electronic administrative document. This type of fraud is prevalent among Irish OCGs, as indicated by the volume of alcohol seized entering both NI and IRL through Belfast and Dublin Ports.
 - The Revenue Commissioner and HMRC have recently initiated investigations into alcohol-diversion fraud and duty-suspended alcohol moving between both jurisdictions.

5.7 FIREARMS

Current Situation

- The sourcing of firearms is a growing concern and threat across the world as a result of improved technological advancements. Access, from almost any location, to the internet via various devices, together with the ability to remain anonymous, as well as the availability of illegal commodities on market websites, via encrypted browsers, for delivery via legitimate postal methods, is not new and has been used by criminal entities for years and is almost impossible to detect. This method of purchase provides opportunities for criminals, terrorists and individuals with an inquisitive mind to obtain a wide range of legal and illegal commodities. The purchase of firearms via this method is a major development as the



threat from firearms is not just limited to known organised crime and/or terrorist groupings, vulnerable persons can be utilised as ‘mules’ for the purchase and delivery of illegally imported firearms. Similarly, persons who are vulnerable to radicalisation via on-line propaganda, or who harbour a grievance with another may now pose a significant threat to the local community. However, intelligence indicates that firearms continue to be sourced via ‘traditional’ methods, including:

- a) **Concealed importation:** firearms imported from GB into NI and IRL.
- b) **Burglary and Thefts:** this method continues to be used by local criminals and / or OCGs, in both jurisdictions, to obtain easy access to legally-held firearms. In some instances, these firearms are stolen ‘to order’, with the injured party targeted in order for a specific firearm type to be procured.
- c) **Imported and reactivated:** it is reported there have been a number of postal intercepts in GB of replica and/or ‘deactivated’ firearms.

While there is limited intelligence/information available, the possibility of such firearms being re-activated cannot be ruled out.

- d) **Swapped for commodities / services:** again, from information available, indications are that OCGs can, under the ‘umbrella’ of the drugs trade, drugs, contraband or other criminal acts can be ‘exchanged’ for firearms.
- e) **Purchased online / local market:** as outlined above, trends indicate an increase in firearms being purchased via various online gun/ shopping websites.
- f) **Store and access across jurisdictions:** criminal and dissident groups are storing firearms in one jurisdiction while using them in the commission of crime in the other jurisdiction on the island of Ireland, thereby avoiding being arrested in possession and/or storage of a firearm.





THE FUTURE

- a) The availability on the 'dark web' and via previously utilised sourcing methods is likely to see an increase in the number of firearms available for use by criminal groupings and, potentially, a wider demographic in communities on both sides of the border, including the vulnerable and opportunists.
- b) The increasing availability of technology and data online concerning the processing and manufacture of firearms and/or component parts could see the emergence of 'homemade' firearms, with a number of interventions of such packages recorded to date.
- c) Increasing radicalisation of people, directly and on-line, by local and international terrorist groups could also see the possibility of the phenomenon known as the 'lone wolf' – persons who have not to the attention of law enforcement previously. The increased availability and opportunity to purchase a firearm online could be opportunistic and, potentially, fatal.
- d) The continuity of all forms of organised criminality, particularly drug-related, could also increase the number of individuals/groupings seeking access to firearms. As market share decreases due to an increase in suppliers then control and intimidation may be used to regain the lost criminal revenue.





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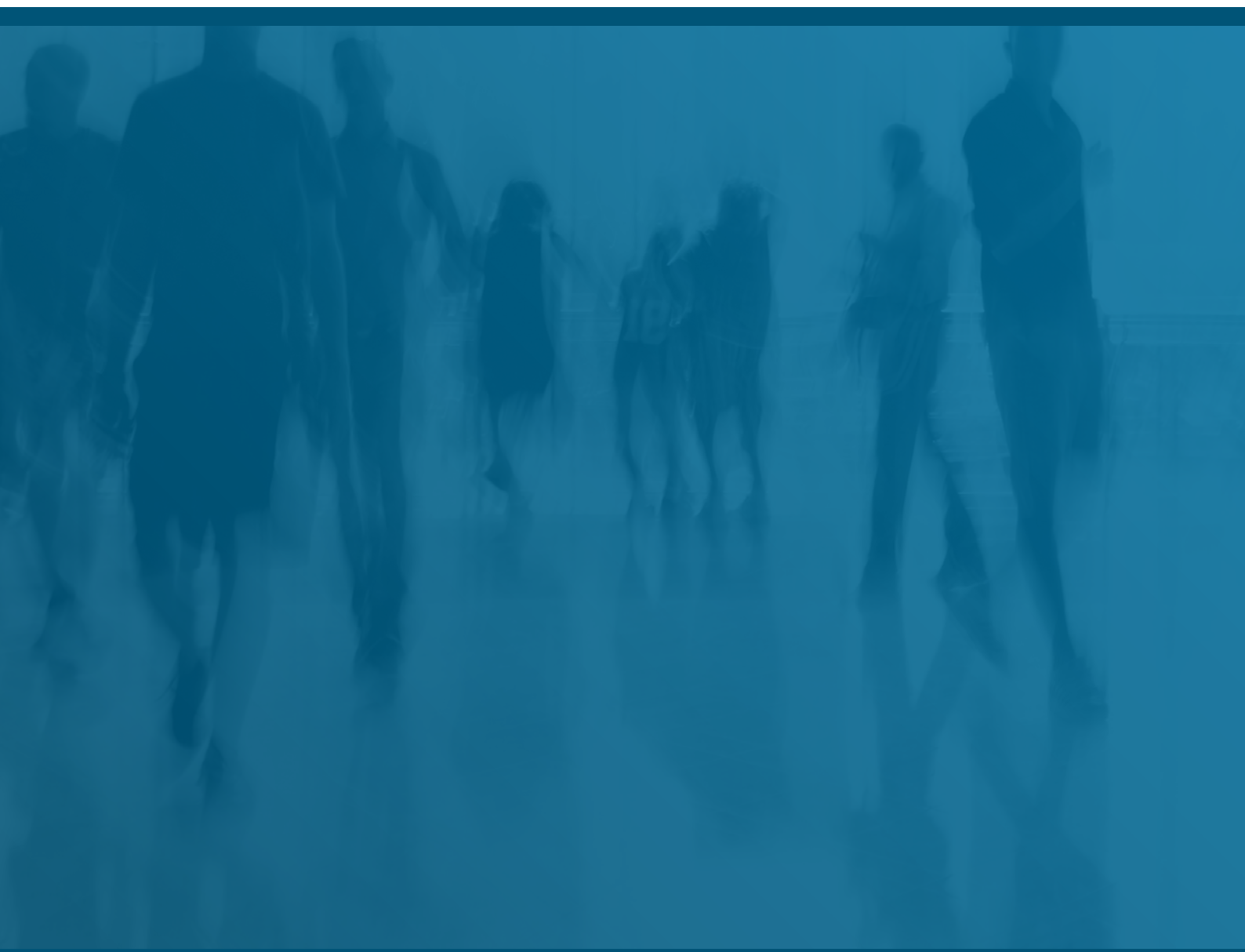
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