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NOTE

From:	Europol
To:	Delegations
Subject:	General Report on Europol's activities in 2016

Delegations will find enclosed the General Report on Europol's activities in 2016 and the first four months of 2017 (before the entry into application of the Europol Regulation) adopted by the Management Board on 7 June 2017, and submitted to the Council by a letter dated 26 June 2017.

Delegations are invited to take note of this report as set out in the Annex.

EUROPOL

The Hague, 22 June 2017

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Europol Review 2016
General report on Europol activities

CONTENTS

FOREWORD

2016 was a challenging year for European integration. Europe continued to struggle with an influx of migrants. EU Member States increased efforts to cooperate on a number of security issues, such as people smuggling and terrorism. European Union matters, including law enforcement cooperation, were affected by the referendum on the United Kingdom's membership of the EU. This combination posed new challenges for decision makers in the Member States and in European Union institutions and agencies. It also provided impetus for Member States to cooperate on sensitive issues, such as those related to terrorism or irregular migration.

Europol stayed on course and continued to upgrade its capabilities to respond best to new challenges and requests from the Member States. It enhanced the newly created European Migrant Smuggling Centre and the European Counter Terrorism Centre, supporting a number of international operations and dispatching its officers to the Member States, including hotspots in the countries affected most by irregular migration. In July 2016, Europol and the European Union Intellectual Property Office launched the Intellectual Property Crime Coordinated Coalition (IPC^3), set up at Europol. The Europol database currently includes 22 000 suspects in the area of intellectual property crime. More than half of them were entered into the database last year.

All in all, more than 46 000 new cases were initiated in 2016; 16% more than in the previous year. Law enforcement authorities exchanged 870 000 operational messages, making it 72 000 exchanges per month. This has led to new investigative links and operational successes. Almost 1.5 million searches were performed in the Europol database in 2016, by more than 7000 users from the 28 Member States. Moreover, Europol connects 10 000 law enforcement experts via its Platform for Experts. This shows the growing scale of cooperation between Member States but also an increase in work performed by Europol at various levels.

It would not be possible to touch upon all the complex processes that Europol has handled in the last year. *The Europol Review – General report on Europol activities* will inform you in more detail about the most important activities in 2016 and the first four months of 2017. More information can be found on our website and social media accounts.

EUROPOL NEWS

Europol Regulation

The legislative process for the adoption of the Europol Regulation was concluded in May 2016[1]. The Regulation was published in the Official Journal of the European Union on 24 May 2016, it entered into force in June 2016, and will be applicable from 1 May 2017. In 2016, Europol started preparing for the implementation of the new legal framework.

Europol scans for organised crime threats

Europol has been developing its efficient and effective environmental scanning system further, as part of the early warning system for detecting emerging organised crime threats, and for considering needs and requirements. The system scans and analyses the stream of information from all relevant sources, including open sources, law enforcement sources and databases (both public and law enforcement). The scanning and fusion of the collected information, taking into account the reliability of sources, compatibility of information and the traceability, produces valuable contributions which can also be used for regular threat assessments such as Europol's Serious and Organised Crime Threat Assessment (SOCTA), the latest edition of which was published in March 2017.

Virtual currency guide for investigators

The European Cybercrime Centre at Europol released the first version of its virtual currency guide for investigators in November 2016. The guide is a source of practical information covering relevant aspects of the technology for investigators and is by far the most comprehensive virtual currency investigation guide produced by law enforcement. Apart from tracing attribution, seizure and listing important stakeholders from the private sector, it covers other areas such as an overview of Bitcoin-facilitated crimes and the abuse of Bitcoin signatures for criminal purposes.

Cybercrime conference 2016

The annual Interpol-Europol Cybercrime Conference is a joint initiative launched in 2013, hosted alternately by Europol and Interpol. In September 2016, 200 law enforcement cybercrime specialists from 56 countries, the private sector and academia met in Singapore to address the challenges of identifying cybercriminals. Particular focus was on financial crime, terrorism-related activities and child sexual abuse, next to other topics such as ransomware and bulletproof hosting. The 2017 edition will be held from 27-29 September at Europol headquarters in The Hague.

European police chiefs convene at Europol

In September 2016, 430 police chiefs and senior law enforcement representatives from 53 countries, as well as delegates from 21 international organisations, EU institutions and agencies, academia and the private sector, gathered at Europol headquarters in The Hague for the annual European Police Chiefs Convention (EPCC). During the event, the heads of European law enforcement discussed topical challenges facing the law enforcement community. Terrorism, the migration crisis and its challenges, as well as digital transformation and new technologies, were the focus of panel discussions and more than 140 bilateral and multilateral meetings at Europol.

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[1] Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol), replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA with effect from 1 May 2017.

Europol Management Board

On 4 October 2016, the Management Board, on the occasion of its 100th meeting discussed the future of Europol at a time of considerable strategic changes in the security environment and amidst important policy developments in the EU's internal security. To mark this milestone, the Management Board Secretariat presented a new book describing the role and evolution of Europol from the perspective of its governing body, from the early 1990s through to its emergence as a fully-fledged EU agency in 2009 and its integration into the post-Lisbon institutional environment under the Regulation in 2016.

The Management Board provides a unique platform for Member States' policing and security interests. It is Europol's main governance body and one of its primary stakeholder environments. It is an integral part of Europol's administrative and management structure under the Europol Regulation. Its main functions are to provide strategic guidance to the organisation and oversee the implementation of its tasks, adopt its annual and multi-annual work programme, approve the budget and exercise the powers of appointing authority. It is composed of one representative from each European Union Member State and one from the European Commission.

Europol's external strategy: optimising existing partnerships

In order to strengthen Europol's contribution to consolidating the Security Union, in particular the fight against serious and organised crime and terrorism, Europol adopted its new external strategy for 2017–2020. Europol's activities in the external domain will focus on optimising its partnerships with non-EU countries and international organisations, and strengthening Europol's role as the preferred platform for international law enforcement cooperation against threats to EU security. Its aim is also to reinforce Europol's position within the EU security architecture, in particular through closer relationships with the European External Action Service, EU missions and operations abroad. The external strategy confirms the existing partnerships and key priorities, such as the US, Interpol and the Western Balkans, but also signals the need to exploit new possibilities in relations with Middle East and North African countries and international organisations such as NATO.

Europol and Frontex increase information sharing

Europol continued to cooperate with a number of international partners as well as other European Union agencies and bodies. Specifically, in view of the migration crisis, Europol further strengthened its cooperation with Frontex on the basis of the new operational cooperation agreement adopted in 2015. Mutual participation in respective Management Board meetings contributed to a better understanding of strategic directions and possible synergies. New operational cooperation was developed, in particular within the framework of the EU Regional Task Force and in hotspots, where Europol conducts security checks of suspicious individuals and supports the fight against facilitated illegal migration. The sharing of operational information increased, including information on suspicious vessels.

EU Most Wanted

Between the launch of the dedicated website www.eumostwanted.eu in January 2016 and the end of the year, 27 of Europe's most wanted criminals have been arrested. So far, 10 of the 27 arrests to date have been directly linked to media attention around the Europe's Most Wanted Fugitives website and tip-offs from the public. Europol continues to support the European Network of Fugitive Active Search Teams (ENFAST) in developing the website's secure platform. ENFAST is a network of police officers from 28 EU Member States specialised in undertaking immediate action to locate and arrest fugitives. In December 2016, a media campaign with a hint of the holiday spirit received worldwide media attention and led to three new arrests and numerous leads in tracking down fugitives.

Europol facilitates public access to documents

Europol has dedicated part of its website to providing public access to Europol documents, and a regularly-updated public register of documents is available. Europol also responds to requests for access to documents received both directly and through consultation by third parties. In 2016, Europol processed 50 such applications, nine consultations and one confirmatory application, corresponding to more than 100 documents.

Stakeholders increasingly satisfied with Europol's performance

Europol has been conducting User Surveys since 2002 in order to gauge users' satisfaction with Europol and its products and services. In 2016, a new User Survey was conducted, targeting around 1400 users from EU Member States, third parties, EU institutions and agencies, public and international organisations, and the private sector. The participation rate was 46%, which represents a 6 point increase compared to the previous survey in 2014, and higher user engagement.

For all the aspects evaluated, Europol's results improved compared to 2014 and scores are the highest ever. The overall *Customer Satisfaction* score was 72.5, which is 1.9 points above 2014. The biggest increase (almost 5 points) corresponded to *Value*, an aspect that measures the ratio between what is obtained and the resources used as perceived by the users. The users' expectations also increased but, in general, Europol is capable of fulfilling them. The *Image of Europol* and the *Quality of Products* remain the two key aspects to focus on to increase *Customer Satisfaction*. *Loyalty* to Europol was the highest rated aspect of all evaluated. The satisfaction with the products and services delivered was 78.6, which is exactly the same score as in 2014. 90% of the products and services were rated by the users with an average score of 75.0 or above, which can be considered as very satisfactory.

Overall, Europol's results were very positive and continue to improve survey after survey.

Did you know this about Europol?

The EU has been striving to develop an internal set of regulations and guidelines to reduce emissions and decrease the negative environmental impact of Europe's industry over the last 20 years. Europol has a strong interest in fulfilling environmental recommendations as set out by the European Commission. One of the ways of doing this is by implementing the European Eco-Management and Audit Scheme (EMAS) by the year 2020. EMAS is a management tool developed by the European Commission to evaluate, improve and report on the environmental performance of an organisation. Europol is now in the early stages of implementing EMAS, mapping out its environmental impact as well as optimising its services and activities.

Europol basic facts[2]

Analysts[3] - 129
Specialists[4] - 292
Liaison officers – 217
Others[5] - 503
Overall staff[6] - 1141
Women – 32.2%
Men – 67.8%
Overall 2016 budget - EUR 102 274 784
Overall 2017 budget - EUR 114 623 613

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[2] Data as per end of April 2017
[3] The category 'analysts' includes assistant analysts, analysts, senior analysts, strategic analysts and senior strategic analysts.
[4] The category 'specialists' includes specialists, senior specialists and specialist translators.
[5] The category 'others' includes project managers, research officers, technical officers etc.
[6] The category 'overall staff' includes the before mentioned 'Analysts', 'Specialists', 'Liaison Officers and Others'.

EU bodies, non-EU states and international organisations, partners of Europol

[World map: countries mentioned below, highlighted in different colours for each category]

- 28 EU Member States.
- Operational agreements: Albania, Australia, Bosnia and Herzegovina, Canada, Colombia, Denmark[7], Eurojust, former Yugoslav Republic of Macedonia, Frontex, Georgia[8], Iceland, Interpol, Liechtenstein, Moldova, Monaco, Montenegro, Norway, Serbia, Switzerland, Ukraine, United States.
- Strategic agreements: Brazil, China, CEPOL, ECB, ECDC, EMCDDA, ENISA, EU-LISA, OHIM, OLAF, Russia, Turkey, United Arab Emirates, UNODC, World Customs Organisation.

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[7] Pursuant to Protocol No 22 annexed to the TEU and to the TFEU, the Kingdom of Denmark is no longer part of Europol as of 1 May 2017, as it has so far not exercised the option to fully participate in the Europol Regulation. In order to ensure cooperation between Europol and Denmark on key matters an Operational and Strategic Cooperation Agreement has been concluded.
[8] The operational agreements with Georgia and Ukraine and the strategic agreements with the United Arab Emirates, Brazil and China are signed, but not yet in force, pending ratification.
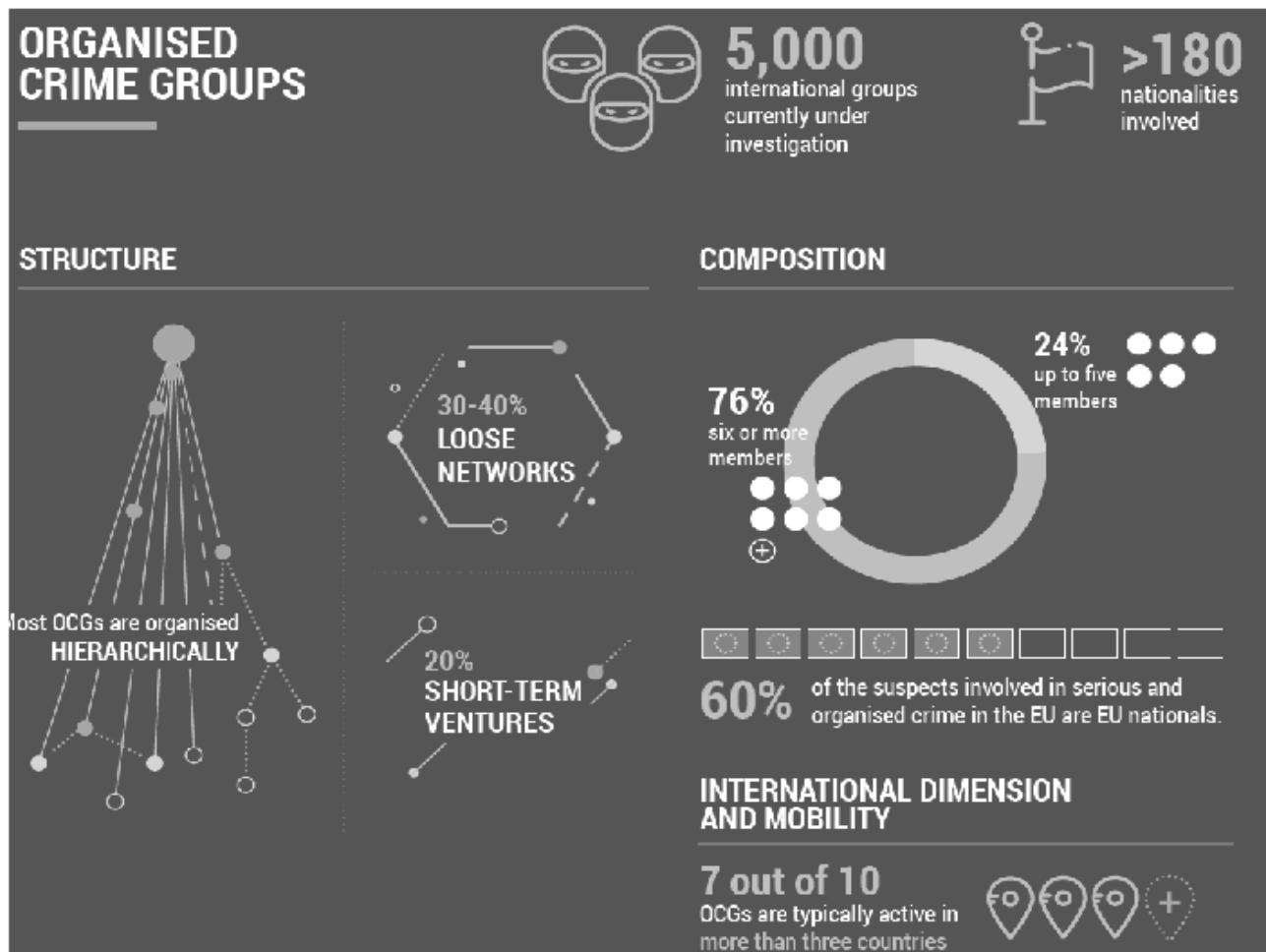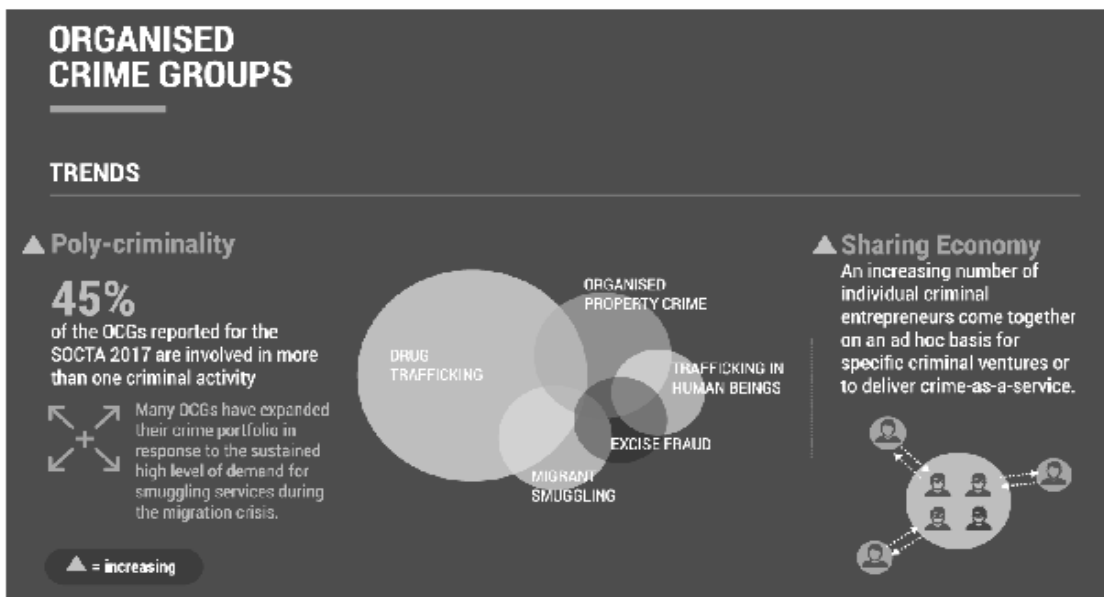
Tackling organised crime

EU SOCTA: organised criminals increasingly adapt technology for their aims

The European Union Serious and Organised Crime Threat Assessment (SOCTA) 2017 was released in March 2017. The report highlights the increasing rate of technological innovation and the ability of organised criminals to rapidly adopt these technologies. Examples are the use of drones by drug traffickers to avoid border checks, the use of social media by burglars to target residences or of encryption by criminals to protect their communications and data.

The Darknet has become a key environment for illicit online trade, facilitating almost all aspects of organised crime, including trade in drugs or firearms, document fraud, and cybercrime.

The profit driven nature of organised crime is highly different to terrorism. However, a notable trend is the involvement of terrorist suspects with an extensive criminal background and access to the resources and tools of organised crime networks for use in terrorism.

ORGANISED CRIME GROUPS

5,000 international groups currently under investigation

>180 nationalities involved

STRUCTURE

30-40% LOOSE NETWORKS

20% SHORT-TERM VENTURES

Most OCGs are organised HIERARCHICALLY

COMPOSITION

24% up to five members

76% six or more members

60% of the suspects involved in serious and organised crime in the EU are EU nationals.

INTERNATIONAL DIMENSION AND MOBILITY

7 out of 10 OCGs are typically active in more than three countries

New head of the European Serious and Organised Crime Centre

Jari Liukku was appointed the new Head of the European Serious and Organised Crime Centre in March 2017. A police chief in Finland before joining Europol, Mr Liukku has over 36 years' experience of various law enforcement agencies including police departments, the Finnish Supreme Police Command and Finnish National Bureau of Investigation. He started as a field officer and progressed to top management by leading demanding field operations and crime investigations. Jari Liukku has also been a prosecutor, a notary/judge and Inspector General of the Immigration Service. Since 2000, as a Project Leader and expert, he has implemented several EU funded projects to build up capacities for preventing organised and other serious crime in Asia, the Middle East, Caucasia and Europe.

17 arrested for smuggling glass eels worth EUR 10 million in operation Abaia

Greek and Spanish authorities, supported by Europol and Eurojust, have dismantled an international criminal network suspected of having smuggled over 10 tonnes of eels from the EU to China.

A company was purchasing eels from four different countries before introducing them into the legal market and delivering them to Greece using false documentation. The eels were finally exported illegally to Asia as "fresh fish".

Operation Abaia is the most important action in recent years in terms of trafficking endangered species in the EU and a direct outcome of Operation Lake, a joint action between France, Portugal, Spain and the United Kingdom. It was launched by Europol in 2015 within the framework of the European Union Action Plan against wildlife trafficking.

Until 2011, the number of baby eels produced each year was only 1% of what was before the 1980s, according to the International Council for Exploration of the Seas (ICES). Despite a statistically significant increase in newborns since 2011, numbers of glass eels are still very low and the species remains under threat.

Results:
17 arrests; 2 tonnes of eels worth EUR 2 million were seized, EUR 1 million in cash and gold bars seized

3561 artefacts seized in Operation Pandora

Operation Pandora took place in October and November 2016, with a joint action week from 17 to 23 November 2016. It targeted criminal networks involved in cultural theft and exploitation with a special focus on cultural spoliation and the illicit trafficking of cultural goods, with a particular emphasis on conflict zones. Operation Pandora involved 15 EU Member States - Austria, Belgium, Bulgaria, Croatia, Cyprus, Germany, Greece, Italy, Malta, the Netherlands, Poland, Portugal, Romania, Spain and the United Kingdom - and three non-EU countries - Bosnia and Herzegovina, Serbia and Switzerland as well as Europol, Interpol, UNESCO and the World Customs Organization (WCO)

Results:

- 3561 works of art and cultural goods seized
- over 400 coins from different periods seized
- 75 individuals arrested;
- 48 588 persons, 29 340 vehicles and 50 ships checked;
- 92 new investigations initiated.

PEOPLE IN DANGER

Targeting criminal migrant smuggling

2016 saw new dynamics in migration, migrant smuggling and the respective law enforcement counter actions. The migratory influx remained high, with organised crime groups profiting from the large number of migrants willing to pay to be smuggled - often under dangerous conditions - to their new destinations in the EU, as well as facilitating the status legalisation of irregular migrants already in the EU.

Europol data confirms that 90% of recent irregular migrants had their journeys facilitated by a criminal organisation. Thus, tackling this multibillion euro trade is an essential part of the EU's response to the migrant crisis. Migrant smugglers exploited traditional methods of smuggling over sea, land and air, as well as increasingly engaging in new types of activities, such as the use of social media to recruit migrants, and more sophisticated identity fraud activities. Analysis of data also revealed links between migrant smuggling and other crime areas, such as trafficking human beings and drugs. EU law enforcement agencies exploited new countermeasures to target the criminal networks, with solid support from Europol.
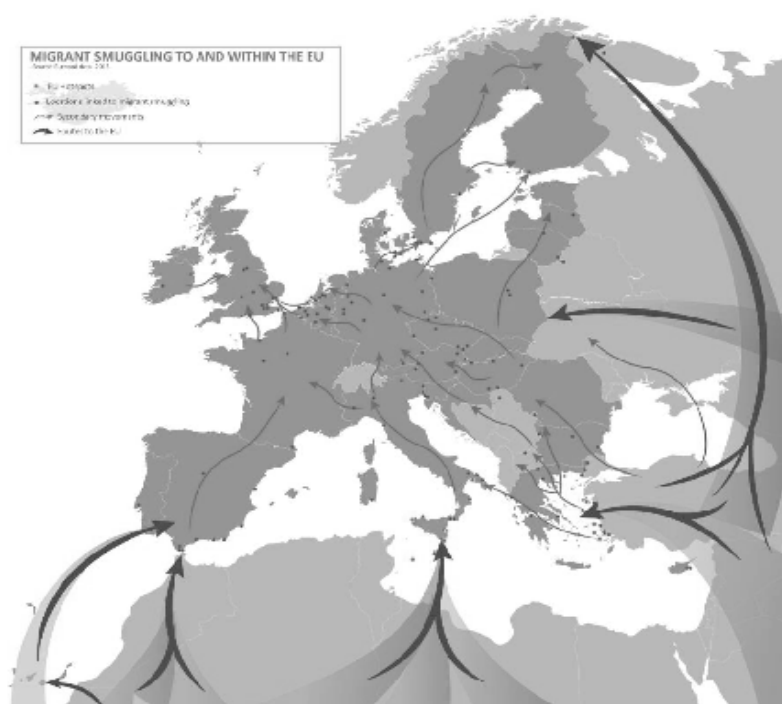

The European Migrant Smuggling Centre (EMSC) was launched at Europol in February 2016 in response to the unprecedented numbers of irregular migrants arriving in the EU since 2014. This followed a decision by EU Justice and Home Affairs ministers that requested to strengthen the capacity to support Member States in better fighting migrant smuggling. The goal of the EMSC is to help target and dismantle the complex and sophisticated criminal networks involved in migrant smuggling. It provides a platform to help Member States improve their exchange of information and operational coordination to fight migrant smuggling. It also facilitates increased cooperation between Member States themselves, and also international organisations, national stakeholders and other European agencies whose aim is to combat people smuggling via the Mediterranean and their subsequent secondary movements to destination countries. The centre encompasses the Joint Operational Team

Mare (JOT Mare), created in March 2015 to tackle the organised criminal groups facilitating migrants' journeys by boat across the Mediterranean Sea to the European Union.
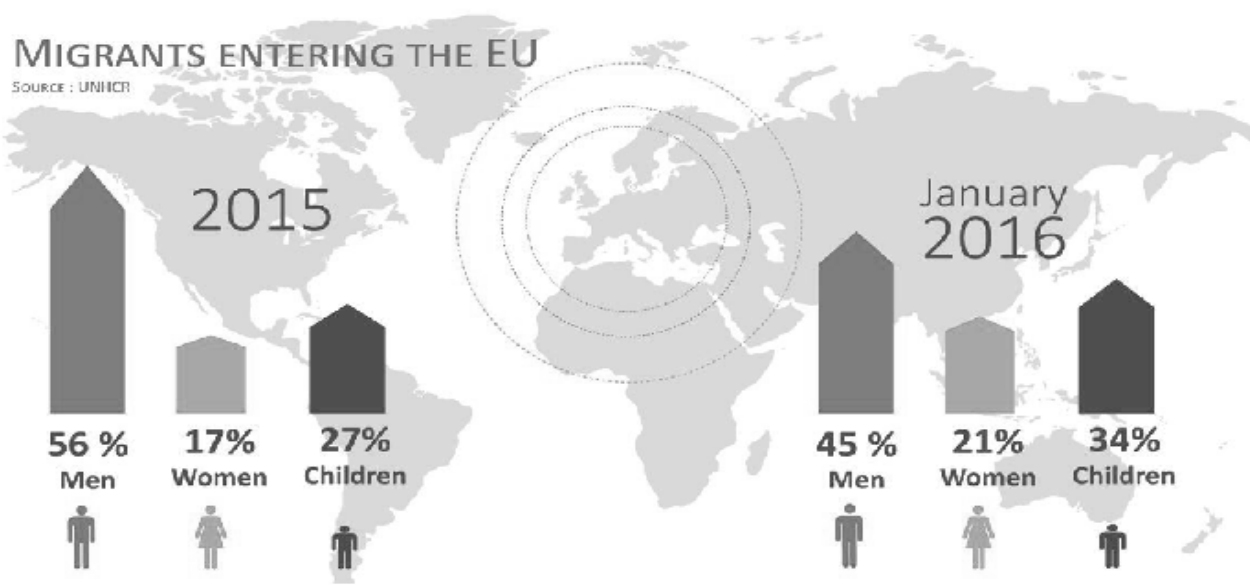
In its fight against the people smuggling, Europol proactively reaches out to and cooperates with a wide range of partners, including law enforcement networks, EU institutions and international organisations, but also the private sector, media, academia and civil society institutions. Constant interaction with Eurojust, Frontex, Interpol as well as EUNAVFOR Med – Operation Sophia is part of the EMSC's work.

"The European Migrant Smuggling Centre at Europol plays a decisive role in proactively supporting Member States to target and dismantle organised crime networks involved in migrant smuggling. Acting as an information hub, this centre supports the EU Regional Task Forces and the work of other partner agencies. In 2016, the centre supported around 90 high priority cases and deployed analysts and specialists to the Greek hotspots and various other Member States."

Robert Črepinko, Head of the European Migrant Smuggling Centre, Europol

Europol in the field

The newly established European Migrant Smuggling Centre generated more opportunities for Europol to support its operational partners from its headquarters in The Hague, as well as in the field. New initiatives to tackle identity fraud and the use of social media have started. Financial investigations have become a new focus.

In the field, new mobile teams of Europol specialists and analysts have been working closely together with national law enforcement officers, providing direct analytical, specialist and forensic support. In anti-smuggling actions, where people are in danger, fast information exchange and analysis is crucial. Deployment of the mobile teams has led to new international investigations and increased cooperation.

Europol's presence in the EU Regional Task Forces in Italy and Greece ensured coordination of activities in the field in front line Member States, working not only with the national authorities but also with partner agencies. The strong operational capacity provided by Europol has also been used in the set-up of secondary security checks. Europol experts worked side-by-side with national authorities at the EU's external borders to strengthen security checks on the inward flows of migrants, to disrupt migrant smuggling networks and identify suspected terrorists and criminals.

A view from the field

CHRISTIAN THIELE
Europol Analyst since 1 May 2016

Born:	Berlin, Germany
Most recent location:	Analyst, Berlin Police Central Investigation Department
Education:	BA in Public Administration, specialisation: police duties
Work experience:	30 years
Specialisations:	Trafficking in human beings, illegal immigration and people smuggling, operational analysis

"As a member of the European Mobile Analysis Support Team (EMAST) in Catania, I have witnessed excellent cooperation between Europol, EU Member States and third parties present on the spot. Thanks to our presence in the hotspots, we have developed close and trusted working relationships in Italy. We all learned together how to best manage highly sensitive incidents, including responding to dozens of bodies being unloaded from rescue boats. Although professional relationships have always existed, the constant presence of Europol officers was the crucial ingredient that raised cooperation to the next level. EMAST now focuses on providing crucial operational support for ongoing investigations. This includes direct cross-checking of data, forensic examinations, analytical support and hosting operational meetings."

Investigation into the death of 71 migrants

In October 2016, Hungarian authorities, closely supported by Europol, finalised an investigation into an international organised crime group suspected of being responsible for the death of 71 irregular migrants.

On 27 August 2015, the migrants were found dead in a lorry that had been abandoned on the A4 motorway, close to the Hungarian-Austrian border in the area of Parndorf (Austria).

Europol's EMSC provided extensive analysis of the international links behind this tragedy. Europol's specialists focused their work on the 24 individual incidents in which the organised crime group had been involved between June and August 2015.

More investigations related to facilitated illegal immigration and money laundering were also conducted in Austria, Bulgaria and Germany. 27 countries have contributed to this investigation.

Results

**11 key facilitators in Hungary
charged with murder and aggravated migrant smuggling**

Global coalition to fight people smuggling

In September 2016, the Polish Border Guard, with Europol support, dismantled an international criminal network involved in smuggling Ukrainian and Albanian nationals into the United Kingdom.

Europol facilitated information exchange between the Member States involved and provided operational support and analysis throughout the investigation.

Thanks to global cooperation between border services and police from countries such as Croatia, the Czech Republic, Hungary, Malta, Latvia, Portugal, Slovakia, Spain, Sweden and the UK, it was established that this crime network had been active for over two years.

Results
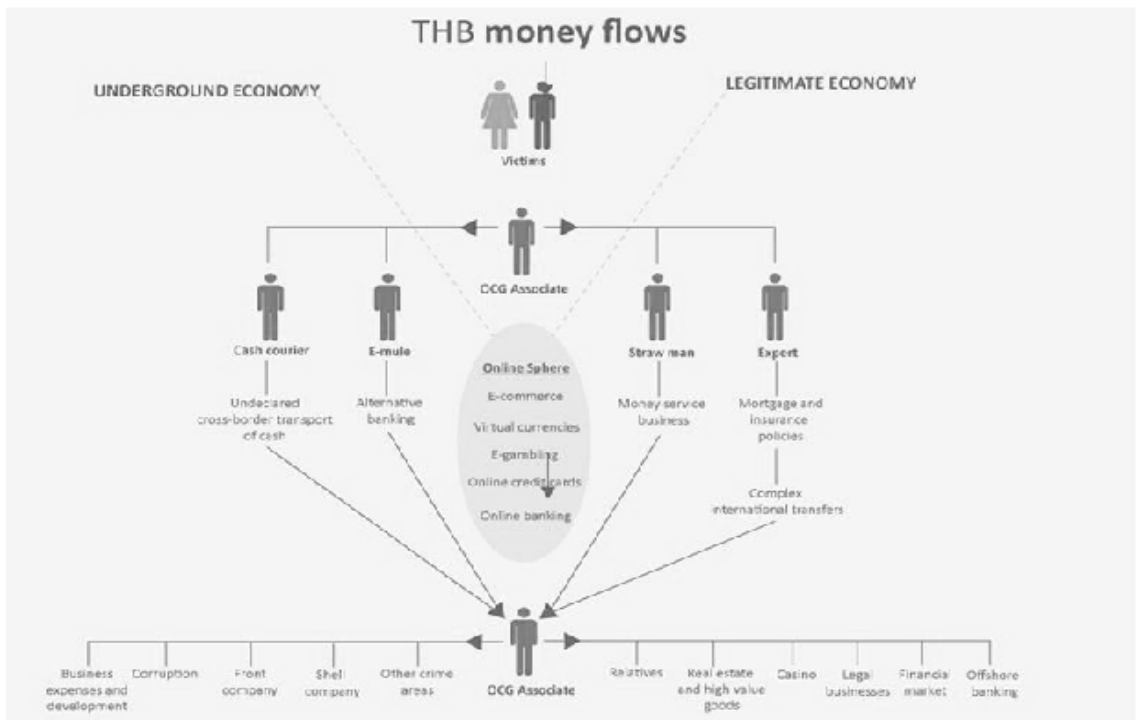

11 arrests   various seizures

More than 100 arrests in a major international migrant smuggling operation

In November 2016, the Spanish National Police, together with the Polish Border Police, joined forces with Europol in Operation Kolso to dismantle a transnational criminal organisation involved in the smuggling of Ukrainian citizens into the United Kingdom and Ireland.

The EMSC played a major role throughout the entire investigation by providing analytical and operational support, delivering cross-match and operational analysis reports, facilitating information exchange among the Member States involved, as well as hosting an operational meeting at Europol's headquarters which resulted in mirroring investigations being launched in Belgium and Ireland.

Trafficking in human beings

Human trafficking is a form of modern day slavery and one of the most lucrative organised crime activities in the world. Traffickers operate across both legitimate and illicit economies and criminal proceeds are mainly sent by traffickers from the countries of exploitation to their countries of origin, electronically via money business services or in cash via money mules.

THB money flows

UNDERGROUND ECONOMY

LEGITIMATE ECONOMY

Victims

OCG Associate

Cash courier

E-mule

Straw man

Expert

Undeclared cross-border transport of cash

Alternative banking

Online Sphere
E-commerce
Virtual currencies
E-gambling
Online credit cards
Online banking

Money service business

Mortgage and insurance policies

Complex international transfers

Business expenses and development

Corruption

Front company

Shell company

Other crime areas

OCG Associate

Relatives

Real estate and high value goods

Casino

Legal businesses

Financial market

Offshore banking

Besides being a serious crime against the person and their human rights, trafficking in human beings is also a complex and organised criminal phenomenon. It frequently involves the practice of other supporting offences, such as document fraud and migrant smuggling (e.g. facilitating unauthorised entry, transit or residency) as a way of enabling the different stages of the trafficking cycle. In cases where victims are non-EU nationals, the overlaps between these crimes can be identified. However, it is important not to confuse the two concepts of smuggling and trafficking in human beings, as trafficking involves the use of threats or force, or other forms of coercion[9] to exploit the person.

"Every year Europol receives a growing number of new human trafficking cases and contributions from its partners. In 2016, 4669 data contributions were made, corresponding to an increase of 37% compared to figures from the previous year. Based on the information received, in 2016 Europol supported 48 high-profile cross-border operations in the area of THB, corresponding to an increase of 40%. Moreover, Europol organised and facilitated 26 operational meetings and provided on-the-spot assistance on 16 occasions."

Angelika Molnar, Project Manager at Europol; portfolio: fighting trafficking in human beings

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[9] Abduction, fraud, deception, the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person.

Operation Disney

The French Gendarmerie and Romanian Police, supported by Europol, dismantled a criminal network involved in trafficking human beings during a wide-ranging joint action day on 9 February 2016.

Results

18 suspects arrested   14 houses searched

During operational activities, a significant amount of cash, mobile phones, jewellery and other valuable items were seized from the suspects. This is the result of a large-scale investigation, led by the French Gendarmerie and Romanian Police, to dismantle an organised crime group intensely involved in trafficking human beings for the purpose of forced criminality, forced begging, and related property crimes such as pick-pocketing, concealing stolen goods and money laundering.

The organised criminal group was based on family and clan kinship and operated pick-pocketing crimes mainly in the crowded tourist spots of Paris, including at Disneyland and on TGV trains. Underage victims were forced to pick-pocket or beg to bring in daily profits of up to EUR 7000 for the criminal group leaders. Criminal proceeds are estimated to have totalled around EUR 1 million. The victims were safeguarded by authorities.

Europol handled intelligence and provided criminal analysis and operational support during the action day, delivering real-time cross-checks of all data gathered in the course of the field action through the deployment of a Europol mobile office.

Cooperating with China to dismantle a human trafficking network

Europol supported Spanish authorities to dismantle a Chinese organised crime group (OCG) involved in trafficking human beings for sexual exploitation. In April the Spanish Guardia Civil and Chinese Police, in close cooperation with Europol, successfully dismantled the criminal group that was trafficking Chinese women to Spain, who were then sexually exploited. The action days were also supported by French and Andorran police.

Results

29 victims identified, various seizures   22 locations searched 29 arrested

Significant amounts of cash and valuables were seized from the suspects, alongside mobile phones and money transfer documentation. In the framework of the parallel financial investigation, the Guardia Civil seized assets and froze bank accounts used for money laundering by this criminal network. Investigations so far have shown the highly networked nature of this group, which encompassed recruiters, exploiters, facilitators, money launderers and individuals involved in forging travel documents and visas. The suspects recruited a significant number of vulnerable Chinese women in their home country by luring them with the promise of well-paid jobs in the EU.

The victims were subsequently trafficked directly to Spain or initially exploited in the sex markets of Africa or other European countries before being trafficked to Spain where the victims were then again sexually exploited in various locations, ranging from hotels to massage parlours and entertainment

venues. These victims were subjected to adverse conditions such as imposed debt bondage, withholding of identity documents, sexual and physical abuse, and other restrictions on their movement. Victims were made more compliant by being forced to take medication and drugs.

Europol provided operational and analytical support throughout the investigation and during the field action through the deployment of a Europol mobile office and two analysts to Spain to extract and analyse mobile phone data.

EU-wide joint action day focuses on labour exploitation

As the most reported form of exploitation in the EU is still sexual exploitation, this year emphasis was put on addressing people trafficking for labour exploitation. As part of a multidisciplinary approach, Europol, together with the Member States, reached out to labour and social inspectorates to build partnerships and operational cooperation. As a result, in May a successful EU-wide joint action day was coordinated from Europol's Operational Centre, to identify and safeguard victims of trafficking, and to track down key figures in international human trafficking networks that were involved in labour exploitation.

Results

54 arrested

30 new investigations

400 potential victims identified

Another EU-wide joint action day, held in October, targeting OCGs engaged in sexual exploitation and child trafficking resulted in:

549

72

potential victims identified

suspects arrested

TERRORISM

Europe faces a mix of terrorist threats

In 2016 terrorists once again demonstrated that the only thing needed to commit an attack is the will of a radicalised individual. Once Islamic State (IS) began to lose territory and the first signs of its defeat appeared, its leaders repeatedly called for IS supporters and followers to bring the war to the heartland of Europe and the US by committing terrorist attacks on the soil of coalition members. On top of that, IS operatives and fighters began to leave the battlefields, some trying to enter Europe using - in some cases - the migration flows.

A withdrawal of militia from the conflict areas is one consequence of IS being under strain. Another development is IS investing in "mobilising" lone actors to commit attacks against citizens in countries of the anti-IS coalition which increases the complexity of the threat: terrorist groups versus lone actors, attacks directed by IS versus inspired by IS, the use of explosives and automatic rifles versus bladed weapons and vehicles, and carefully prepared attacks versus those that seem to be carried out spontaneously.

Europe is faced with a mix of terrorist threats which cannot be dealt by the EU Member States alone. International cooperation is needed. Europol's European Counter Terrorism Centre (ECTC) serves as a centre of expertise, focusing on tackling foreign fighters, sharing intelligence and expertise on terrorism financing, online terrorist propaganda and extremism, illegal arms trafficking and international cooperation to increase effectiveness and prevention. ECTC provides the Member States and its key partners with new possibilities to ensure the most effective management of counter terrorism intelligence. ECTC is the single point in the EU where counter terrorism (CT) operational information from law enforcement services in the European Union Member States and third parties is brought together for analytical purposes. To give an example, the dedicated database of foreign terrorist fighters contains 5990 suspects.

Europol also maintains a link between its terrorism and organised crime databases which enables swift, continuous cross-matching of information, and the establishment of links between investigations. This way a significant number of individuals were identified who had first been reported for organised crime activities and were later reported as terrorism suspects.

Specialised teams of Europol CT analysts and experts work on this information to provide leads, cross-check live operational data with the already available data at Europol, and compile a structured picture of terrorist networks. This was the case in the aftermath of the attacks that took place in Paris in November 2015 and in Brussels in March 2016, when Europol assisted French and Belgian authorities in their high-profile operations. Europol mobile offices were deployed to Belgium, France and Interpol. Task force Fraternité was established at Europol to support these investigations, facilitate international information exchange and to conduct analysis on the data communicated by all concerned Member States and third parties. More than 18 TB of data was received for this case, and Europol produced more than 80 analysis reports.

To facilitate and increase the speed of information exchange, Europol developed specialised tools within its SIENA environment. CT SIENA offers a secure and user-friendly system point-to-point connection between all connected CT authorities in EU Member States and other partners who have relevant cooperation agreements with Europol. Currently, more than 45 CT authorities are connected to directly exchange CT information via this Europol tool. However, CT SIENA alone is not enough. Trusted teams and networks of experts are equally important in the timely exchange of information on CT. Europol has been working to enable relevant CT networks to cooperate in a secure environment. Recently, European Union Member States established the Counter Terrorism Joint Liaison Team (CT JLT) to enable closer cooperation on cross-border terrorism investigations.

Information sharing on counter terrorism in the EU reaches an all-time high

Information sharing on counter terrorism, across European countries as well as through and with Europol, reached an all-time high by the end of 2016. Europol held more than 10 times as much information on 'person entities' in its database, compared with January 2015 when the attack on Charlie Hebdo took place. Following the November 2015 attacks, Europol's most extensive involvement has been through Task force Fraternité, where high-value information was shared with and through Europol (e.g. new targets, associates, phone data).

This has generated new leads for investigation and, following national law enforcement measures, the identification of new targets.

Europol deploys officers to hotspots to conduct secondary security checks

Between January and December 2016, approximately 363 400 migrants entered Europe by sea, mainly arriving in Greece and Italy. Every day many more are still trying to cross those borders to escape the atrocities in Syria and Iraq and elsewhere. There is no clear evidence that terrorist travellers systematically use these flows of refugees to enter Europe unnoticed, but it is indisputable that some terrorists have entered the EU posing as refugees[10], as was seen in the Paris attacks of 13 November 2015.

Changing modus operandi is regarded as a hallmark of IS and possibly the above-described approach, combined with further attacks in the European Union, is part of their strategy to compromise Syrian refugees as a group and to provoke Member States to change their policies towards them. This poses a substantial threat to the EU. Paradoxically, the same goes for IS losing territory in Syria and Iraq - a huge setback for the organisation, resulting in foreign terrorist fighters (returning EU citizens and fighters originating from North Africa and the Middle East) attempting to return to the EU.

To counter this threat, Europol recently approved the recruitment of up to 200 counter terrorism and other investigators for deployment to migration hotspots in Greece and soon also to Italy. Up to 50 of these "guest officers" will be deployed on rotation at key points of the EU's external borders, to establish a second line of defence by strengthening security checks on incoming migrants, and potentially identifying suspected terrorists and criminals.

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[10] See report *Changes in Modus Operandi of IS terrorist attacks – revisited*, Europol, 2016.

Europol fights terrorist and extremist propaganda on the internet

Europol's EU Internet Referral Unit (IRU) fights terrorist propaganda and related violent extremist activities on the internet. The unit is composed of a mix of specialists with diverse knowledge and skills, ranging from experts in religiously inspired terrorism, translators, to IT savvy staff members and law enforcement officers with backgrounds in counter terrorism. Online propaganda material is collected in a number of different languages such as Russian, Turkish and different Arabic dialects.

Since its launch in July 2015, the EU Internet Referral Unit has made over 20 000 referrals in more than nine languages. In the vast majority of cases (approximately 90%), the hosting platforms removed the referred content. The final removal of the referred material by the concerned service providers is voluntary, and in line with their own terms and conditions.

In 2016, Europol increased its efforts to bridge the gap between prevention and investigation of online terrorist and violent extremist propaganda. For prevention, a new operational feature was launched: Referral Action Days - an intensive campaign held periodically at Europol bringing representatives together from dedicated units in EU Member States. Focus is on the online production of terrorist material by IS and al-Qaeda-affiliated media outlets. As a result, 3382 pieces of terrorist and violent extremist online content were assessed for referral, in cooperation with seven Member States. The content processed was in nine different languages and hosted by 35 social media and online platforms. In addition, in 2016, an academic advisory network on online propaganda was set up as a think tank comprising multi-disciplinary experts. Via this network, Europol shares knowledge and best practices with academics and researchers and keeps pace with new developments in its field of expertise.

The EU IRU provided online operational and analytical support to Member States in the aftermath of the terrorist attacks that took place in the EU in 2016. It also supported high-profile cyber investigations targeting the infrastructure of media outlets spreading IS propaganda. Moreover, it investigated online "kill lists", by assessing the content and monitoring the online environment. All in all, the EU IRU provided internet investigative support to around 50 operational cases and delivered more than 100 operational products to the EU Member States and third states.

Europol coordinates joint action days to flag online terrorist content

In February and in April 2017, Europol coordinated two operations to flag online terrorist content. The campaigns focused mainly on the online production of terrorist material by IS and al-Qaeda affiliated outlets. Europol's Internet Referral Unit (EU IRU) teamed up with their counterparts to coordinate a swift removal of propagandistic terrorist messages present on the internet.

Aside from social media, the EU IRU also identified websites and blogs that were being used for this purpose. The efforts made by numerous online platforms to remove inappropriate content have driven supporters of terrorist groups to simultaneously use multiple platforms and even search for news providers to promote terrorism and incite violence.

Results:
February
1212 pieces of terrorist and violent extremist online content in seven different languages assessed
Hosted on **41 online platforms**
Joint action between Europol, Italy, Latvia, Spain, Switzerland, and the UK

April
2068 pieces of terrorist and violent extremist online content in six different languages assessed
Hosted on **52 online platforms**
Joint action between Europol, Belgium, Greece, Poland, Portugal and US

Terrorist finance tracking

The EU-US Terrorist Finance Tracking Programme (TFTP) agreement has continually proven to be a valuable tool in terrorism-related investigations. It enhances the ability to map out terrorist networks, often filling in missing links in an investigative chain. It is used to track terrorist money flows, allowing authorities to identify and locate operatives and their financiers, and assists in broader efforts to uncover terrorist cells. While the TFTP is based on queries linked to terrorism and terrorist financing, the generated leads enrich the overall intelligence picture, including the opportunity to identify new lines of inquiry (initially not related to counter terrorism).

Finance to support terrorists is found in many guises; 2016 has seen the movement of smaller sums moved regularly through the financial sector. These low value payments sent by supporters and family members are transferred to support foreign terrorist fighters (FTFs) and their organisational expenses. Lesser value financial transactions must similarly provoke Suspicious Transaction Reporting (STRs) from the financial sector and are key indicators to support CT investigations. Lesser value financial transaction intelligence also proves evidentially important in obtaining judicial support regarding search warrants and arrests.

2016 again highlighted the benefit of financial intelligence to EU counter terrorism investigations. 35 TFTP requests were made just in support of Operation Fraternité, generating 1180 leads. Requests were also made to retrieve financial information from money service bureaus. From January to December 2016, 122 Article 10 TFTP requests were submitted by Europol to the US, generating a total of over 21 720 intelligence leads, which were passed to EU Member States. Of these TFTP requests, 65 concerned foreign terrorist fighters (FTFs), generating 14 548 intelligence leads.

Overview of the terrorist situation and trends in the EU

Every year, Europol provides law enforcement and intelligence officials, the European Parliament, Council of the EU, policymakers and the general public with facts and figures on terrorism and developing trends in the European Union. Europol's 2016 EU Terrorism Situation and Trend Report (TE-SAT) reported the following figures for the EU in 2015:

- 151 people died and over 360 were injured as a result of terrorist attacks
- 211 failed, foiled and completed terrorist attacks were carried out in EU Member States
- 1077 individuals were arrested in the EU for terrorism-related offences.

Explosives and Firearms

Explosives and CBRN threats targeted by Europol

The bomb-making process, potential recipes for the harmful use of explosives precursors, as well as potential new threats using chemical, biological, radiological and nuclear (CBRN) materials, are monitored daily and cross-checked by Europol's ECTC specialists. Europol also facilitates cooperation between CBRN and explosives specialists through the European Explosive Ordnance Disposal Network (EEODN), providing seminars and training, where responses to potential and realistic terrorist attack scenarios can be rehearsed.

Most recently, in July 2016 in Kosice - under the Slovak Republic Presidency of the Council of the EU - CEPOL and Europol, supported by the Slovak Police, facilitated a seminar and training session for more than 80 CBRN and explosives experts of the EEODN. The first two days were dedicated to the exchange of information and intelligence on recent cases and incidents involving explosives and CBRN materials across the world. On the third and fourth days, different potential and realistic terrorist attack scenarios were analysed, based on the most recent available information. One of the main achievements of this network gathering is the possibility to build trust and, as a result, enhance the capacity and capabilities of the EU experts.

Discussing explosives in a global context

Coordination and collaboration between the EU and the US is a critical element in countering the global threat from the use of improvised explosive devices. The EU-US Annual Explosives Experts' Seminar is an outstanding example of this international partnership. Europol actively supports the European Commission and US authorities in organising and promoting this annual gathering. In 2016, the event attracted more than 100 experts from EU Member States, Norway, the United States, European Commission, European Defence Agency, NATO C-IED Center of Excellence and Europol. The attending experts identified specific challenges in explosives security and proposed organising mechanisms between the annual seminars for more in-depth cooperation. Expert focus groups will meet during 2017 to expand collaboration on specific challenges related to information sharing, training and detection.

Upgrading the EU Bomb Data System

The EU Bomb Data System (EBDS) is an expert platform for the timely sharing of relevant information and intelligence on incidents involving explosives, incendiary and explosive devices, as well as chemical, biological, radiological and nuclear (CBRN) materials. It is accredited to store data up to EU Restricted level, and contains all data from the old EBDS as well as EOD[11] and CBRN matters, but shall contain no personal data. Additionally, it was also made available via the internet EPE page (called EPE/EEOD) to enable real-time communication between experts and increase the number of contributions from EU Member States and third parties.

## Combating weapons and explosives trafficking

Recent terrorist attacks and mass shootings in Member States and third parties have increased the visibility of firearms and the public concern for the threat they represent. Those acts have not only shed light on the availability of illegal firearms in the EU and their use by criminals and radical or violent individuals, but they also emphasise how illegal firearms are one of the preferred tools of religiously-inspired terrorists for perpetrating attacks in the EU. E-commerce has been identified as a key distribution channel for firearms in Europe. The Darknet, with its anonymity, ease of access and wide appeal, poses a growing security threat and represents a great challenge to European law enforcement with regard to firearms trafficking.

Europol plays a key role in supporting Member States fight criminal networks involved in illegal weapons and explosives trafficking. As part of a wider strategy to identify the criminal networks supplying terrorist groups with firearms and ammunition, Europol experts work closely with counter terrorism experts on international

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[11] Explosive Ordnance Disposal.

investigations. Moreover, Europol specialists and analysts combine efforts to assist Member States in developing their own resources to monitor and tackle the Darknet phenomenon.

Poly-criminal nature of firearms trafficking
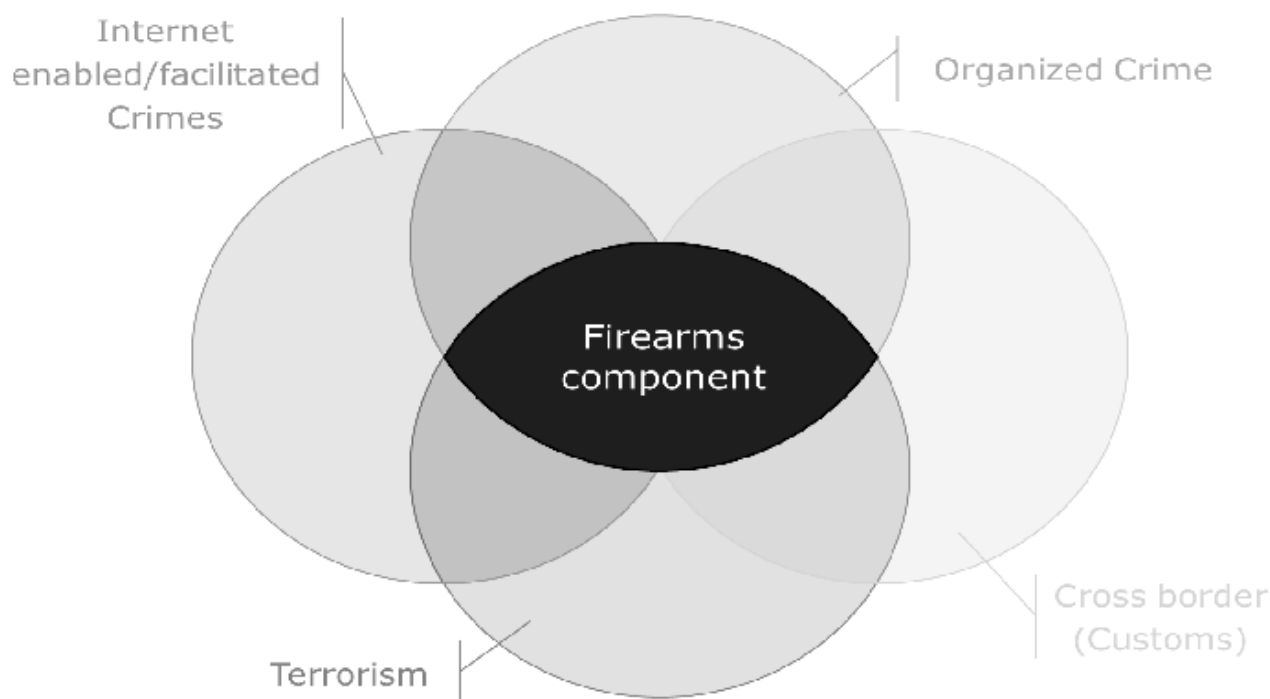
Two leaders of Cosa Nostra arrested for weapons smuggling

In June 2016 in Catania, Italian Carabinieri, in close cooperation with Europol, arrested two leading members of the Mafia clan Ceusi - affiliated to the criminal group Cosa Nostra - for weapons smuggling:

- Over 160 decommissioned firearms with a total value of EUR 45 000 were purchased from Slovakia by the suspect;
- A number of these firearms had been reactivated and sent to Malta via courier services;
- Investigations revealed close links between the suspects and Egyptian organised crime networks involved in migrant smuggling.

Huge firearms depot seized during operation Portu

In January 2017, Europol supported the Spanish National Police in dismantling an organised crime group selling live firing firearms and deactivated firearms not complying with existing deactivation standards. Europol actively participated in the investigation by providing operational and technical analysis, and on-the-spot support.

A military style firearms depot was seized. The armaments were to be sold on the black market in Spain and other European countries including France and Belgium. There was a significant risk of them being acquired by organised crime groups and terrorists.

Seizures: over 10 000 assault rifles, anti-aerial machine guns, 400 shells and grenades, pistols, revolvers and parts to reactivate weapons.

CYBERCRIME

Strengthening the response to cybercrime

Europol established the European Cybercrime Centre (EC3) in 2013 to strengthen law enforcement's response to cybercrime in the EU and thus help protect European citizens, businesses and governments. Europol takes a three-pronged approach to the fight against cybercrime: operations, forensics and strategy. The specific types of cybercrime in focus are hi-tech crimes, transnational payment fraud, and child sexual exploitation.

Europol's Internet Organised Crime Threat Assessment (IOCTA) provides a law enforcement-focused annual assessment of key cybercrime developments, changes and emerging threats. This year's report highlighted an expanding cybercriminal economy exploiting our increasingly internet-enabled lives, low levels of digital hygiene, and poor cyber security practice in general. The report identified the eight main cybercrime trends illustrated below and provided a set of recommendations on how to address them as well as suggestions for operational priorities at EU level.

The relevance of these key trends was reiterated by the operational and related support activities provided by Europol in the past year. Several examples of successful and innovative actions in responding to these cyber threats follow.

New Head of the European Cybercrime Centre

Steven Wilson became the Head of the European Cybercrime Centre at Europol in January 2016. Steven completed 30 years of service with Police Scotland, and previously Strathclyde Police, the Scottish Crime and Drug Enforcement Agency and Her Majesty's Inspectorate of Constabulary. He has worked in a wide range of Senior Detective roles on major investigations, counter terrorism, covert policing, management of sex offenders, fugitives and witness protection. He had responsibility for all aspects of cyber and cyber enabled crime in Scotland and sat on government, private sector and academic groups. He also represented Scotland in UK national and European cyber groups.

Hi-tech crimes

The flourishing Cybercrime-as-a-Service business model is continuously providing access to a large number of cybercrime techniques. The following are two recent examples of law enforcement actions in response to this trend.

Avalanche infrastructure dismantled

In November 2016, after more than four years of intensive investigative activities, the international criminal infrastructure known as Avalanche was successfully dismantled. The Avalanche network was used to deploy multiple malware attacks worldwide, ranging from banking Trojans to ransomware and phishing, as well as to launder the illegal proceeds of the diverse criminal activities it was facilitating. It has caused an estimated EUR 6 million in damages in concentrated cyber-attacks of online banking systems in Germany alone. In addition, losses associated with malware attacks conducted over the Avalanche network are estimated to be in the hundreds of millions of euros worldwide, although exact calculations are difficult due to the high number of malware families managed through the platform.

The global effort to take down this network involved the crucial support of prosecutors and investigators from 30 countries. As a result, five key suspects were arrested, 37 premises were searched, 39 servers and 64 Top Level Domains (TLDs) were seized. Victims of malware infections were identified in over 189 countries. Furthermore, 221 servers were taken offline through abuse notifications sent to the hosting providers. The operation marked the largest-ever use of sinkholing to combat botnet infrastructures and is unprecedented in its scale, with over 800 000 domains seized, sinkholed or blocked.

Europol supported the investigation from its early stages, and added particular value to the overall success by facilitating secure information exchange between a multitude of partners, providing in-depth analysis and advanced digital forensic support, operational coordination via multiple meetings and regular conference calls, as well as deconfliction. Europol also served as a bridge between law enforcement and private sector partners, which played an instrumental role in the action and subsequent victim remediation.

Young users behind cyber-attack tools

Another operational success was the joint international operation targeting young users of cyber-attack tools in December 2016 involving Europol, the Joint Cybercrime Action Taskforce (J-CAT), and 13 countries. The large number of individuals targeted were suspected of paying for DDoS attack tools (so-called stresser and booter services) to maliciously deploy software to launch DDoS attacks on web sites and web servers, leaving them inaccessible to users and generating financial losses. Depending on national legislation, different measures were carried out, ranging from interviewing and fining, to arresting suspects. Notifications were also sent to parents of underage suspects and houses were searched. In total, 34 arrests were made and 101 suspects were interviewed and cautioned. A prevention campaign was subsequently launched in 10 different languages, to raise awareness of the risk of young adults getting involved in cybercrime.

Joint Cybercrime Action Taskforce (J-CAT)

Both of the above operations were supported by the J-CAT, a Member States-led taskforce launched 2 years ago to further strengthen the international response to cybercrime in the European Union and beyond. The J-CAT is currently composed of cyber liaison officers from various EU countries (Austria, France, Germany, Italy, the Netherlands, Spain – represented by two agencies: Policía Nacional and Guardia Civil - and the United Kingdom), non-EU law enforcement partners (Australia, Canada, Colombia and the United States – represented by two agencies: Federal Bureau of Investigation and Secret Service), and Europol's European Cybercrime Centre (EC3). In 2016, the taskforce supported a number of high-profile investigations into a wide range of cybercrimes.

Payment fraud sees a shift in card fraud tactics

The increase of Automated Teller Machine (ATM) malware observed in 2016 is a good illustration of the recent criminal shift in card fraud tactics. In January, Europol supported one of the first investigations in Europe against this increasing threat, which resulted in eight key arrests. The complex investigation targeted an organised crime group (OCG) involved in large scale ATM compromising, causing substantial losses across Europe. The criminals deployed malware to manipulate ATMs across Europe, via a modus operandi known as "jackpotting" to empty the ATM cash cassettes. To date, more than 30 suspects have been identified and arrested, and a number already convicted. Recognising the severity of the ATM malware threat, and building on operational experiences, Europol worked with the European ATM Security Team (EAST) and Trend Micro to produce security guidelines and a strategic report on the Digital ATM Threat.

E-Commerce fraud on the rise

The use of compromised credit card details is an increasingly prominent crime, with tens of thousands of crimes reported in the EU. An increase in card-not-present (CNP) fraud is apparent across almost all sectors. Airline companies are among the most affected by CNP fraud, as reiterated in the 2016 IOCTA.

The most significant successes in this area were the Global Airline Action Day and the E-Commerce Week of Action operations.

More than 140 detained in global action against airline fraud

An international law enforcement operation targeting airline fraudsters resulted in the detention and investigation of 140 individuals found in possession of tickets bought using stolen or fake credit card details.

The two-day operation in June 2016 was organised globally through coordination centres at Europol in The Hague, Interpol in Singapore, and Ameripol in Bogota, with support from Canadian and US law enforcement authorities. Over 74 airlines and 43 countries were involved in this year's action, which took place in over 130 airports across the world.

Individuals arrested during the operation were also found to be involved in other forms of crimes, including human trafficking, drugs trafficking, cybercrime and terrorism. During the operation, 252 suspicious transactions were reported. As a result, 140 people were denied boarding, detained and questioned by police. Representatives from airlines, online travel agencies and payment card companies based at Europol's command post worked together with experts from the European Cybercrime Centre (EC3) to identify suspicious transactions and send confirmation to law enforcement officers deployed at the airports.

Payment card schemes, card issuers, Perseuss and the International Air Transport Association (IATA) supported the operation by providing information to confirm any suspicious fraudulent airline ticket transactions. Further support was received on the day by Eurojust and Frontex, who deployed officers to Europol and at a number of airports across Europe, while Interpol assisted with rapidly identifying wanted persons and stolen documents.

A Europol mobile office was deployed to Paris throughout the action to facilitate the exchange of critical data, allowing law enforcement in the field to quickly identify potential perpetrators.

Airline ticket fraud: 193 detained

In October 2016, 193 individuals suspected of travelling with airline tickets bought using stolen, compromised or fake credit card details were detained in a major international law enforcement operation targeting airline fraudsters. The global operation involved 43 countries, 75 airlines and eight online travel agencies, and took place at 189 airports across the world.

The airline industry estimates losing over one billion US dollars per year from the fraudulent online purchasing of flight tickets. Fraudulent online transactions are highly lucrative for organised criminals and are often bought as part more serious criminal activities including illegal immigration, trafficking in human beings, drugs smuggling and terrorism.

The fifth Global Airport Action Day was again organised through coordination centres at Europol in The Hague, the Interpol Global Complex for Innovation in Singapore, and Ameripol in Bogota, supported by Canadian and US law enforcement agencies. Representatives from airlines, online travel agencies, payment card companies, Perseuss and the International Air Transport Association (IATA) worked together with experts from Europol's European Cybercrime Centre (EC3) to identify suspicious transactions and provide confirmation to law enforcement officers deployed at the airports. Eurojust assisted throughout the action week and the European Border and Coast Guard Agency (Frontex) deployed officers to 20 airports to assist with detecting identity fraud, fake documents and irregular migration.

For the first time, this global operation lasted for 5 consecutive days. Law enforcement is now tackling this international phenomenon on a daily basis in close cooperation with the private sector. This has enhanced the trust between all parties involved and will continue to inflict damage on the criminals involved in airline ticket fraud. During this operation, 350 suspicious transactions were reported. As a result, 193 people were denied boarding, detained, questioned by police and charged; investigations are ongoing. Several people were caught trying to traffic drugs from Latin America to Europe, frequently flying back and forth using fraudulently purchased tickets.

Crime-as-a-service, a recent trend seen in all forms of serious organised crime, has now also appeared in the travel sector. Law enforcement targeted fake online travel agencies who provided the service of buying airline tickets with stolen or fake credit card details for other criminals. One criminal enterprise offered financial services, fraudulently-purchased tickets and fake documents. During the action several bookings for different destinations were linked to the same criminal organisation.

E-commerce week of action

This European-wide joint action in October 2016 targeted e-commerce fraud and criminal networks using stolen card details to purchase high-value goods online. As a result, close to 3000 individual fraud investigations were linked to 40 international cases, 43 arrests were linked to more than 3000 illegal online transactions and purchases worth EUR 3.5 million, a large number of illegal packages were intercepted, 120

properties were searched, and high-value goods were seized. Links were also found with a number of other crime areas such as ID fraud, phishing, cyber-attacks, romance fraud, use of stolen passports, illegal immigration and money laundering.

European Money Mule Action (EMMA)

In 2016, two Europe-wide Europol operations targeted money muling. Law enforcement actions were coordinated across multiple jurisdictions and were a result of an effective partnership between the police, prosecution and the banking sector at national and international levels. Both operations were followed by a week-long multilingual prevention campaign to raise awareness of the risks of being a money mule.

Participants: 7 MS, 1 other European country, European Banking Federation (EBF), Eurojust, 75 banks, Europol

Results: More than 670 money mules identified, over 830 fraudulent transactions reported (90% related to cybercrime or cyber-enabled fraud). 198 suspects interviewed, 80 arrests and detentions confirmed to date. At least 70 new investigations or inquiries have been opened.

Participants EMMA 2 (14-18 Nov): 14 MS, 3 third countries plus the European Banking Federation (EBF), 106 banks, Eurojust, Europol

Results EMMA 2: 580 money mules identified, 380 suspects interviewed, 178 arrested, reported losses at EUR 23 million, 95% of the reported transactions were linked to cyber-enabled criminal activity.

Credit card fraud disrupted: 130 000 cases

An internet-based criminal organisation was using computer technologies and malware to compromise credit card information. Illicit credit card transactions were made by several fake online shops and a shell software company.
Connected to a legitimate online payment service and pretending to process multiple international transactions, the criminals transferred all the assets to a bank account in Cyprus. More than 130 000 payment card holders from 29 countries suffered at a financial loss of some EUR 8.

The network was dismantled by the Cypriot Police with the support of Europol, the US Secret Service and the Investigative Committee of the Republic of Belarus.

Results:
4 arrests (including the leader)
Up to 7 years of imprisonment after the first court proceeding.

Online child sexual exploitation material

The use of the internet as a platform for child sex offenders to communicate, store and share child sexual exploitation material (CSEM), and to hunt for new victims, continues to be one of the internet's most damaging and abhorrent aspects. Peer-to-peer networks and the growing number of forums on the Darknet continue to facilitate the exchange of such CSEM.

Experts gather at Europol to identify victims of child sexual abuse and exploitation

Europol hosted the second Victim Identification Taskforce (VIDTF), a group of international victim identification experts, to examine new and previously contributed child sexual abuse material and potentially identify the victims. Over the course of two weeks, the 24 experts used state-of-the-art software provided by Europol, to analyse and examine the images and videos containing the material. Over 250 sequences of child sexual abuse images and video files were identified and uploaded to the Interpol ICSE database. Additions were also made to more than 300 existing sequences. As a result, seven children have already been identified and rescued. A number of other identification processes are ongoing.

Operation Daylight

A Europol coordinated operation targeting those responsible for distributing child sexual abuse material led to Europol distributing 611 intelligence packages to EU Member States and associated countries. This operation resulted in 207 criminal investigations being opened, and 75 people arrested or convicted. The action carried out by law enforcement agencies across the European Union and focussed on those distributing child sexual abuse material using online networks. Those networks continue to be a primary source for those with a sexual interest in children looking for CSEM online. Resulting police investigations and prosecutions are ongoing in many of the countries involved.

Rescue of an underage sex abuse victim

Europol supported the Romanian, Italian and British law enforcement authorities in a joint investigation to arrest a 27-year-old female perpetrator suspected of rape and producing child abuse material, and to rescue the victim, her daughter. The material produced with the child was subsequently sent via an online communication application for further distribution through social media networks. The information about this operation came from the NCMEC information flow, which EC3 initiated in November 2013 with the United States ICE (Immigration and Customs Enforcement). The National Centre for Missing and Exploited Children (NCMEC) distributes weekly reports to concerned EU countries based on reports by the public and the electronic service providers of suspected child sexual exploitation online materials. Dedicated country-specific intelligence packages prepared by EC3 and, when possible, enriched by information from Europol's databases, are disseminated to the relevant country for their further action, such as the above-described case. At present, 19 EU countries are part of this information flow.

Serial child sex offender convicted in the UK

A transnational serial child sex offender has been convicted in the UK. The 70-year-old former teacher pled guilty to 23 additional charges including the sexual abuse of two pupils at a UK school in the 1980s and 1990s. He had previously pleaded guilty to 22 other charges related to the sexual abuse of nine children in Thailand between 2009 and 2012. To face his trial, he was extradited from Spain with a European Arrest Warrant, issued by the UK where he was sentenced to more than 30 years in prison.
The investigation, supported by Europol, involved the UK, Spain and the Netherlands.

Forensic expertise

Gathering forensic data and digital evidence is of utmost importance when tackling cybercrime. Not only does it deliver relevant intelligence and evidence for ongoing investigations, but also contributes to a better understanding of cybercriminal tools and methods, thus providing valuable knowledge for use in prevention.

The European Cybercrime Centre has two forensics teams focusing on digital and document forensics. They provide operational support and are also involved in research and development activities. In 2016, both teams provided extensive support to the high-profile investigations of priority crimes, including counter terrorism.

In 2016 a new Digital Forensic Laboratory was launched at Europol's European Cybercrime Centre. This new optimised capability provides on-the-spot and computer forensic support services, including network, mobile device and printed material forensics. In 2016, the Europol laboratory became International Standard ISO/IEC 17020 certified for the forensic examination of banknotes.

During 2016, the document forensics team was involved in dismantling five print shops, and digital forensics experts were deployed to 41 locations.

Tackling encrypted material for law enforcement investigations

Encryption presents a serious challenge for judicial investigations throughout Europe as law enforcement authorities are increasingly collecting encrypted evidence. The technical difficulties associated with decrypting this information creates substantial obstacles for investigations and can eventually jeopardise prosecution.

For that reason, in June 2016 in Ispra, Italy, Europol's European Cybercrime Centre (EC3) and the European Commission's Joint Research Centre (JRC) jointly organised a technical workshop on best practices relating to decryption in law enforcement. Seven Member States sent law enforcement delegates to share best practices and techniques for successful investigations.

Cybercrime prevention

Prevention and awareness raising play a fundamental role in tackling cybercrime and complementing operational activities in the field. As underlined by the Cybercrime Trichotomy Model in the 2016 IOCTA, many high-volume crimes can be effectively stopped by increasing the public's general level of cyber security awareness and digital hygiene. As underreporting of cybercrime remains a key challenge for law enforcement and limits the opportunities to investigate such crimes, prevention campaigns add value by informing the public about reporting avenues and encouraging them to come forward for help from authorities. Prevention campaigns can also help deter individuals from getting involved in cybercrime by highlighting the consequences of such illicit activities.

No More Ransom

Ransomware is a type of malware that locks the victims' computer or encrypts their data, demanding they pay a ransom to regain control of the affected device or files; it is a top threat for EU law enforcement. Almost two-thirds of EU Member States are conducting investigations into this form of malware attack, and the number of victims is increasing. According to Kaspersky Lab, the number of users attacked by crypto-ransomware has risen by 5.5 times, from 131 000 in 2014-2015, to 718 000 in 2015-2016. While targets are often individual users' devices, corporate and even government networks are also being affected.

In July 2016, Europol, the Dutch National Police, Intel Security and Kaspersky Lab joined forces to launch an initiative called No More Ransom - a new step in cooperation between law enforcement and the private sector to fight ransomware together. The initiative produced an online portal, www.nomoreransom.org, to inform the public about the dangers of ransomware, how it works, and how to protect themselves. The portal contains over 160 000 keys to help victims recover data that has been locked by cybercriminals, and offers the option to report a crime, directly connecting to Europol's overview of national reporting mechanisms.

Mobile malware awareness

The risk of mobile malware is real: hackers can steal money and sensitive information, use mobile devices as bots and even spy on user activities.

In 2016, Europol led a campaign to highlight the risks of mobile malware and to help people better protect their mobile devices from cybercrime. The European Cybercrime Centre developed awareness-improving material available for the public to download in 20 languages. The material provides an overview of the threat and key vulnerabilities of mobile devices, and offers tips to perform everyday activities securely such as downloading apps, internet banking, and connecting to WI-FI, whilst showing individuals how to avoid becoming a victim of mobile ransomware.

22 EU Member States (Austria, Belgium, Croatia, Cyprus, Czech Republic, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovenia, Spain and the United Kingdom), three non-EU countries (Colombia, Norway and Ukraine) and 2 EU agencies (ENISA and eu-LISA) participated in this campaign. The range of activities included press conferences, school lectures,

educational workshops and training courses, online quizzes, and live chats on social media. This pan-European endeavour was accompanied by a large-scale communication campaign via social media channels and national law enforcement websites. Over 45 partners from the internet security industry, financial institutions, national ministries, and Computer Emergency Response Teams (CERTs) supported this campaign at national level.

Preventing the abuse of the internet infrastructure

EC3 represents and promotes the views of the European law enforcement community in the global discussion on the governance of the internet, which takes place in the framework of different internet governance organisations. EC3 participates in the development of new policies, standards and norms adopted by those organisations in order to support the ability of law enforcement organisations to investigate, prevent, attribute and disrupt unlawful activity online, and to reduce the criminal abuse of the global internet infrastructure, in particular the Domain Name System (DNS) and Internet Protocol (IP) addresses.

EC3 at Europol has also been appointed to represent the EU law enforcement community in developing a replacement for the DNS WHOIS database[12].

In 2016, EC3 also launched a new initiative aiming at the five Regional Internet Registries (RIRs) and in particular RIPE NCC (Réseaux IP Européens Network Coordination Centre), which manages the allocation and registration of IP addresses and autonomous system numbers in Europe, Central Asia and the Middle East. The RIPE database contains contact information on ISPs that hold and allocate IP addresses. It is publicly available and an essential tool for investigators. However, the databases maintained by the five RIRs are often inaccurate which leads to severe delays in investigations. Europol and the FBI therefore launched this globally coordinated initiative to improve the accuracy of these databases. EC3 concluded a Memorandum of Understanding in December 2016 to further improve cooperation with RIPE.

Innovative Police2Peer initiative to combat child sexual abuse online

For over a decade, peer-to-peer file sharing has been a major facilitator in the distribution of child sexual abuse material. Meanwhile, offenders have been investigated, arrested and convicted. Whilst this approach has had an impact to reduce the threat and has increased prosecutions, child abuse material is still being accessed online. A unique Police2Peer initiative aims to address this issue from a disruptive and preventive angle.

Within this initiative, using peer-to-peer networks, law enforcement distributed images and videos that either had no content or represented police officers informing users of the consequences of viewing and sharing illegal child sexual exploitation material. Additionally, a dedicated web portal was created to offer assistance to people with a problematic and sexual interest in children.

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[12] The DNS WHOIS is a publicly available directory containing the contact details of all registered domain name holders (registrants). Anyone who needs to know who is behind a domain name can find this information in the database. The WHOIS is a critical element of online accountability and accurate DNS WHOIS information is essential to investigate and attribute abuse and unlawful activity online.

DRUGS

One third of EU organised crime groups involved in drugs trafficking

About one third of all organised crime groups in the EU are involved in the production and/or distribution of illicit drugs. Criminal networks exploit the demand for drugs in the EU and generate huge profits, often trafficking different types of drugs. The value of the European opiates market is estimated at approximately EUR 12 billion. Cannabis is the most commonly used drug in the EU, followed by cocaine. Synthetic and narcotic drugs are big business and the EU is one of the largest and most valuable global markets for them.

Synthetic drugs on the rise

The European Union is a major region for the illicit production of synthetic drugs, particularly amphetamine and ecstasy. Moreover, the last decade has seen an exponential increase in the production, trafficking and consumption of these drugs within the European Union. Each year around 60 to 90 large-scale production sites are identified, seized and dismantled. Storage sites for potentially dangerous precursor chemicals used in the drug manufacturing process are often discovered during the course of investigations in the Member States. There is a developing trend in the use of larger and more sophisticated production equipment. Both custom-made and industrial equipment are used to manufacture large amounts of synthetic drugs. Some reaction vessels that have been seized were capable of producing drugs of very high purity, often in excess of 1 million tablets at a time. As production equipment becomes more sophisticated, the use of timers, complex electronic parts and computers makes the task of identifying and dismantling the equipment both challenging and, in some cases, dangerous for law enforcement.

In recent years an increasing number of new psychoactive substances (NPS) have been detected on the European market, with almost two new substances appearing every week. More than 450 NPS have been reported since 2005, many of them posing significant health threats to unsuspecting users who may consider them harmless, perhaps due to the fact they can be openly purchased online or from retail shops. A number of serious adverse events have been seen in the EU, where NPS drug users have experienced unexpected effects. Clever and aggressive marketing has created unprecedented demand for these products. The internet is well known for being a significant facilitator for serious and organised crime in general, however in the field of NPS it could rightly be described as a major driver of this phenomenon. The internet not only provides new ways to access customers and suppliers but also opportunities to enhance the efficiency and security of off-line criminal activities. A small part of the deep web, known as the dark web or Darknet, has been intentionally hidden and is accessible only using special web browsers. Much attention has been given to the online marketplaces found on the deep web. The surface web also plays an important role, particularly with respect to sales of new psychoactive substances.

The disposal of hazardous and toxic waste from synthetic drug production poses substantial health risks and causes environmental damage. The costs associated with the decontamination of dumping sites can be considerable. This is becoming more of an issue as a result of the diversification and increasing capacity of production methods as well as the spread to previously unaffected countries.

160 thousand doses of hazardous psychoactive substances seized

In March and April 2016, Europol supported two large operations of the Spanish Guardia Civil which led to the dismantling of criminal organisations involved in trafficking new psychoactive substances.

Results

48
suspects arrested

160 000
doses seized

Europol supported both operations with specialist on-the-spot support, deployment of three mobile offices, cross-checking intelligence, and financing two operational meetings in Spain for Belgian, Dutch and German law enforcement officers.

Heroin market in the EU worth EUR 6.8 billion

As the primary source of heroin present in the EU, Afghanistan produced an estimated 4800 tonnes of opium in 2016, representing a 43% increase compared to 3300 tonnes in 2015. The EU heroin market is estimated to be worth over EUR 6.8 billion. Some worrying signs in the EU currently include an increase in overdose deaths, very large seizures and increased availability of high purity heroin.

In recent years heroin trafficking routes into Europe have become more diversified and new regions are used by criminal groups to get their consignments around those where tighter controls are in place. This too represents a significant challenge for law enforcement and Europol strives to keep operational partners informed of new developments and methods used by criminals to traffic heroin across the external EU border and through into central markets for internal distribution.

Europol supports EU authorities to tackle criminal organisations involved in unlawful heroin trafficking and production, as well as other related criminal activities. Notably, Member States law enforcement services have reported some excellent operational results in the form of arrests and large seizures, some exceeding 500 kg consignments. Europol's operational, coordination and analytical work primarily covers large-scale and long-running investigations and targets mainly Turkish, Iranian, Pakistani and Albanian speaking organised crime groups.

International drugs network dismantled

In August 2016, Europol supported the Spanish Guardia Civil in their successful operation Cromañon, running from December 2015 and targeting criminals involved in large-scale heroin trafficking.

Results:

7 suspects arrested

 4 houses searched

38 kg of high purity heroin seized

8 kg of cocaine seized

50 kg chemical substances seized

A sophisticated heroin cutting laboratory was uncovered and dismantled. A hydraulic press and a firearm with an integrated silencer were also seized. Several premises were searched in Barcelona, Gavá, Rubí and

Castelldefels, the latter reportedly the residence of the main suspect and leader of the organised crime group – an Albanian national, well known to Spanish Police.

A significant sum of money was also seized during the investigation, along with 10 high-value vehicles, various electronic devices and documentation.

Huge illicit profits from four million cocaine users

Europe remains one of the largest cocaine markets in the world. Each year about four million users consume cocaine in the EU making this drug the second most commonly used in the European Union after cannabis. Organised criminal networks are exploiting a demand that seems to remain stable but generates enormous profits that are integrated into the legal economy, with a subsequent threat to financial stability.

However, looking to the future, there are new challenges to be faced by law enforcement. The sale and distribution of cocaine is growing within the context of the increasingly dynamic online drugs market, for example. Worryingly, there have been a number of cases reported where cocaine has been mixed with other substances such as fentanyl, a powerful narcotic analgesic, which can cause significant harm to users and can even be fatal.

Europol's specialists and analysts combine their efforts to support Member States to fight cocaine trafficking as demonstrated by Operation Elektrika, where cooperation between Spain and the UK resulted in the seizure of 400 kg of cocaine and collection of significant financial intelligence. Also, Europol analysts supported Operation Globe Trotter, in which 2.5 tonnes of cocaine were seized in Constanta port, Romania.

A diverse and continually evolving array of means of concealment used by criminals is of concern to law enforcement. In an effort to counter this threat, Europol works closely with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) to improve collection and reporting on secondary extraction labs via the European Reporting on Illicit Cocaine Extraction-Conversion Sites (ERICES) tool.

Top criminal arrested

Europol supported international cooperation under the umbrella of a joint investigation team which resulted in the arrest of a high-value target criminal, who was involved in several cocaine delivery shipments from South America to Europe. The individual was wanted for his alleged involvement in the trafficking of 1.3 tonnes of cocaine, with a street value of EUR 200 million.

The operation leading to the arrest of the suspect was the result of a two-year investigation between the French OCRTIS[13], Spanish Guardia Civil and the UK National Crime Agency, supported by Europol and Eurojust.

Over two years, Europol has provided support to major drug trafficking investigations across the EU into the criminal group believed to be headed by this individual. Huge amounts of data from national law enforcement agencies were processed and cross-checked against Europol's databases. Investigators were provided with numerous analytical reports and on-the-spot support through the deployment of Europol mobile offices. Following the arrest, and throughout 2016, Europol specialists and analysts continued to provide extensive analytical support and intelligence sharing to assist investigations linked to the high-value target.

The drugs had been hidden in suitcases and transported on a French aircraft flying from Caracas, Venezuela, to Paris Charles de Gaulle airport. Several British and Italian nationals were arrested in France following the seizure. During an extensive investigation carried out by Guardia Civil, more than EUR 950 000 in cash was seized.

The UK NCA also targeted UK nationals suspected of being connected to the main suspect, and intelligence shared between them and Portuguese authorities led to the seizure of 167 kg of cocaine in Portugal. The cocaine had been transported from South America on board a yacht, 'Gloria of Grenada'. The crew from the vessel and others were arrested and convicted in Lisbon.

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[13] *Office Central pour la Répression du Trafic Illicite des Stupéfiants* (French national office against drugs trafficking).

Operation Galaxy

Flexible and loose criminal structures involved in poly-criminal activities still represent a challenge to law enforcement agencies as evidenced by a recent joint operational team comprising Portugal, the UK and Spain, which launched Operation Galaxy in July 2016. The investigation revealed that criminals had planned to import a large cocaine shipment, which was likely to be funded by the delivery of large amounts of marijuana from Spain to the UK via vehicles previously stolen in the UK.

The criminal group involved also specialised in the production of forged documents, which they used to great advantage during their drug trafficking activities. Moreover, they had perfected a system of transiting through the Eurotunnel undetected by making use of Irish license plates.

Results:

7 arrests   €48 000 in cash   48 kg of marijuana, 100 kg pollen hashish, 3096 marijuana plants

30 vehicles (of which 20 were stolen)   11 houses searched

Cannabis: the most consumed illicit drug in the European Union

Europol supports EU Member States' efforts to fight large-scale cannabis trafficking into and within the EU, its large-scale cultivation and the upstream supply of cannabis to internet-based marketplaces. Europol focuses mainly on large-scale trafficking of cannabis into and within the EU, which is transnational by nature and cannot be countered without strong international cooperation and coordination. Organised crime groups now play a major role in the production and trafficking of cannabis, now often associated with violence and other forms of criminality.

More than 80 million adults are estimated to have used cannabis, with over 22 million having done so in the last year – making it by far the most consumed illicit drug in the EU. The estimated value of the cannabis market is correspondingly high, at over EUR 9 billion. Cannabis is now the drug most frequently reported as the principal reason for first entry into drug treatment and the second most frequently mentioned substance amongst all drug treatment clients. One reason for the increase in reported health problems related to consumption of cannabis is thought likely to be connected to increased potency of the drug seen in past years.

Joint operation targets cannabis

A successful example of international cooperation against large-scale cannabis trafficking is the ongoing joint operations team Rose of the Winds, comprising international investigations launched between 2013 and 2015 by authorities in France, Greece, Italy and Spain.

The combined efforts of the police forces involved allows for the identification and interception of multi-tonne drug consignments before they reach wholesale distribution hubs, consequently safeguarding the final destination countries and optimising resources they would have devoted to fighting the drug trade. In particular, since the second half of 2015, five cargo ships carrying multiple-tonne cannabis resin shipments were intercepted. Over 77 tonnes of cannabis resin were seized, along with the vessels. In all, 57 crew members were arrested. Poly-crime interests of the relevant OCGs have come to light, among which are irregular migration facilitation, cocaine and weapons trafficking, and smuggling of commodities. The routes used, the

financial flows and the nationalities of the perpetrators suggest that at least some of the huge revenues generated may be destined for financing activities of terrorist groups or their associates.

The most exceptional of the results achieved in 2016 was the arrest of a major Moroccan drug supplier, acting at the peak of the hashish supply chain impacting North Africa, the near Orient and the European Union. The estimated scale of his drug supply capacity totaled 20 to 30 tonnes of hashish per month.

Europol supported and funded 20 operational meetings over three years. On-the-spot support was provided for five operations, during which Europol staff extracted and analysed huge amounts of electronic data from suspects' devices. Europol provided the affected states with 29 analytical reports on the criminal networks behind these activities.

CONSUMER AND PROPERTY PROTECTION

Stemming the tide of intellectual property crime

Intellectual property crime is a significant problem that hits the EU particularly hard, with fake goods accounting for about 5% of imports. Fighting intellectual property crime is key to sustaining jobs and growth in the European economy. It also safeguards consumers against dangerous and substandard products.

Many criminals use the proceeds from selling counterfeit goods to enable or instigate other types of serious organised crime, such as human trafficking, money laundering or labour exploitation. Counterfeit products are often produced in unsanitary and unhygienic factories run by organised crime and violating basic human rights, labour and environmental laws. Many workers, including children, are coerced into working through a form of modern-day slavery.

In July 2016, Europol and the European Union Intellectual Property Office (EUIPO) launched the Intellectual Property Crime Coordinated Coalition (IPC3), set up within the current organisational structure of Europol. The centre consists of 14 specialised IP crime experts, five of which are analysts.

IPC3 provides operational and technical support to law enforcement agencies and other partners in the EU and beyond by:
- Facilitating and coordinating cross-border investigations;
- Enhancing disruptive law enforcement actions against illicit online trading platforms through engaging facilitating intermediaries such as payment processors, advertisers, ISPs, delivery companies;
- Monitoring and reporting online crime trends and emerging modi operandi;
- Enhancing the harmonisation and standardisation of legal instruments and operating procedures to counter intellectual property crime globally;
- Raising public awareness of the crimes;
- Training law enforcement officers on combating methods.

Europol database contains 22 000 suspected intellectual property criminals

Information and data related to nearly 22 400 suspects involved in IP crime were analysed over the last two years, with 14 000 just in 2016. Nearly 1700 messages were exchanged, containing criminal intelligence and operational data related to counterfeiting and piracy, as well as health and safety regulation infringements.

Awareness campaign on online counterfeiting

Combating the online trade in counterfeit products is challenging for law enforcement, with the internet becoming an essential channel for e-commerce, and counterfeiters increasingly using it to sell and ship fake products. Counterfeit clothing, cosmetics, pharmaceuticals, electronics and automotive parts can be easily found online, cheaper than the originals. Despite these products looking like a bargain, they can pose serious risks to the health and safety of buyers. When shopping online, people are more likely to fall victim to counterfeiters.

To raise awareness of this growing threat, Europol launched the campaign "Don't F***(ake) Up", to inform citizens about the risks of buying fake products online, and provide straightforward advice to help identify illicit websites selling counterfeit goods, as well as other means used by counterfeiters, such as fake social media accounts and apps.

IPC³ main objectives

Operational and technical support
provide operational and technical support to the competent authorities

Facilitate and coordinate
facilitate and coordinate cross-border investigations

Monitor and report
monitor and report online crime trends and emerging modi operandi

Harmonisation and standardisation
enhance the harmonization and standardization of legal instruments and operating procedures to counter intellectual property crime globally

Raise awareness and train
Reach out to the public and law enforcement by raising awareness and providing training on this specific field of expertise

5 analysts
9 experts
2 funded by EUIPO
3 funded by EUIPO

57 COUNTRIES

21 PRIVATE PARTNERS

4 months OPERATIONAL PHASE

SEIZURES OF:

>11,000 TONNES OF FOOD

>1,440,000 LITRES OF BEVERAGES

>5,5 MILLION FOOD ITEMS

4,054 INSPECTIONS

3,567 ADMINISTRATIVE AND CRIMINAL CASES INITIATED

41 ARRESTS

1,793 SUSPECTS REPORTED

Property crime causing significant losses and feeling of insecurity

Organised property crime is one of the most visible forms of organised crime to EU citizens and has the potential to cause widespread feelings of insecurity. Property crimes, using modus operandi such as the "dear nephew trick", other "trick" thefts and pickpocketing target the most vulnerable classes in society: the elderly. Other phenomenon like metal theft can cause serious disruption to services like public transport, electricity and communication lines, and potentially with significant risk to EU citizen safety.

Organised property crime in its versatile variations affects Member States and almost all neighbouring countries. These crimes are generally committed by highly mobile organised crime groups (MOCGs) who exploit diaspora communities in Member States to create networks of contacts, anchor points and logistical support, providing them with means of housing, communication and transport. They typically carry out a significant number of offences within a region, over a short period of time, before moving on, sometimes with hundreds of

kilometres between offences. Due to this high mobility and often limited trans-regional analysis in the affected countries, organised property crimes such as burglaries are often only investigated in isolation and not as organised crimes. Even though a single incident can cause only relatively light damage, organised property crime in its entirety causes significant losses to Member States and the individuals and businesses targeted by OCGs.

Extremely violent gang of jewellery robbers curbed

Joint investigation team Harnen was run by the UK (London Metropolitan Police) and Romania (Romanian CID), but also involved Belgium, Eurojust and Europol. Since 2013 it targeted mobile organised crime groups (MOCGs) specialising in jewellery robberies in the UK and either other European countries.

All the members of this crime group, "street soldiers", were either ex-convicts, homeless people, from poor families or orphanages, and were renowned for being extremely violent at the crime scenes (using hammers, axes, Molotov cocktails, etc). They underwent a kind of military training in boot camps and acted in masked groups of 6-10, and then fled the scene in teams of 2-3. The long-term investigation focused on the structure of the group and cumulated in an action day in April 2015.

Results:

- 52 house searches performed in Romania;
- 16 members arrested and three under judicial control;
- 66 luxury watches and jewellery recovered;
- Seizures amounted to over EUR 9 million in value;
- Top leader sentenced to 30 years in jail in 2016 in Romania;
- Over 100 members of the gang under investigation.

Operation Trivium 7 targets mobile gang infrastructures

In November 2016, law enforcement agencies from 10 European countries[14], coordinated by the Dutch National Police, and supported by Europol, carried out operation Trivium 7, targeting MOCGs and their infrastructures across the EU. The main focus of the operation carried out with help from the European Traffic Police Network (TISPOL) and other international partners, was to identify perpetrators using long distance buses and minivans to smuggle stolen goods. All the agencies worked together to disrupt the illegal activities of criminal groups involved in this serious and organised cri[15]me.

Results:

- Over 4 000 individuals checked;
- 87 offenders arrested;
- 1800 vehicles checked;
- Gold jewellery seized;
- 60 kg cocaine seized;
- 190 kg MDMA crystals seized (equals to 2 million ecstasy tablets and 60 litres crystal meth);
- Cash and forged documents seized.

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[14] Austria, Germany, Greece, Ireland, Netherlands, Portugal, Romania, Spain, Switzerland, United Kingdom.
15 Several of them seized for further forensic inspection

EUR 2.4 billion from criminal activities seized annually in the EU

Organised crime activities are profit-driven. Thus, confiscation is the best possible deterrent and should be one of the top priorities in the EU's fight against organised crime. The confiscation and recovery of the proceeds of crime hits criminals where it hurts them most. Criminal proceeds in the European Union are in excess of EUR 110 billion which equals 1% of the EU's GDP[16]. Annually, 2.2% of these proceeds, amounting to EUR 2.4 billion, are seized and 1.1% - equal to EUR 1.2 billion - is confiscated[17]. But before criminal proceeds can be confiscated by courts, they need to be traced and identified by law enforcement. Asset forfeiture is a complex but rewarding integrated process that requires both police and judicial cooperation. Europol actively supports EU Member States to trace these criminal proceeds in Europe but increasingly also on a global level. Europol co-chairs, with the European Commission, the European Union Asset Recovery Offices platform and hosts the secretariat of the Camden Asset Recovery Inter-Agency Network (CARIN) of asset recovery experts from 56 countries. Europol is also involved in the activities of six regional asset recovery networks that include experts from another 70 countries.

Strengthening financial intelligence exchange

Since 1 January 2016 Europol hosts and maintains the FIU.net. It is a dedicated information exchange network used by the European Union's Financial Intelligence Units (FIUs). A decentralised network, FIU.net involves no central storage of information; when sending information from one FIU to another, the exchanged data is only stored on the FIU.net databases at the premises of the FIUs involved in the exchange.

The embedding of FIU.net into Europol represents an important step in equipping Europol and the Member States with a broader interconnection, with a view to closing financial intelligence gaps in the EU and increasing the exchange of financial intelligence. The FIU.net exchange platform has joined other key Europol tools in the field, such as the Terrorist Finance Tracking Programme, dedicated analysis projects, and EU Asset Recovery Offices' cooperation coordinated by Europol.

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[16] Ernesto U. Savona and Michele Riccardi, eds., *From Illegal Markets to Legitimate Businesses: the Portfolio of Organised Crime in Europe*, 2015 (www.ocportfolio.eu).
[17] *Does Crime Still Pay?*, Europol report, 2016.

FRAUD

Losses due to EUR 160 billion VAT gap

Missing Trader Intra-Community (MTIC) fraud is one of the most damaging manifestations of financial crime, which exploits the EU's Value Added Tax (VAT) rules governing cross-border trading. The essence of MTIC fraud is that the fraudsters sell goods or services from one Member State to another through a chain of linked companies, taking advantage of the fact that it is legitimate not to charge VAT on such cross-border transactions. At the stage when these transactions are conducted domestically within a Member State, VAT then becomes chargeable. However, instead of transferring this tax to the fiscal authorities, those behind the company responsible disappear with the tax collected from its customers.

This type of fraud is extremely lucrative and causes massive tax losses across EU Member States. An update to the "Study on the VAT Gap in the EU-28 Member States", published in August 2016, reported that the VAT gap, which is the difference between expected tax receipts and the amounts actually collected, totalled approximately EUR 160 billion in 2014[18].

Whilst fraudsters can essentially use any commodity or service traded between the Member States to perpetrate their crimes, sectors which currently appear most susceptible are:

- Energy sector (e.g. wholesale gas, electricity and fuels);
- Trading in intangible goods (e.g. emission allowances and 'green' certification markets);
- Metals market;
- IT and electronic goods (e.g. mobile phones, high-value portable electronics);
- Foodstuffs;
- Motor vehicles.

EUR 320 million VAT fraud: Key target arrested

A joint action targeting VAT fraud, in October 2016, saw prosecution and law enforcement authorities from Austria, Belgium, Germany, Ireland, Italy, the Netherlands, Norway, Poland, Spain, Sweden, Switzerland and the UK, supported by Europol and Eurojust, deliver a further blow to an organised criminal group responsible for defrauding EU citizens of around EUR 320 million.

Strong collaboration at an early stage of this investigation with Europol, as well as the successes of previous action days and several bilateral and multilateral coordination meetings held at Eurojust, enabled Member States' investigation teams to identify the main players and to carry out actions across national borders, involving more than 200 law enforcement officers all over Europe. Europol deployed a mobile office to facilitate real-time information exchange and cross-match analysis of the data collected.

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[18] TAXUD/2015/CC/31, the "VAT Gap" provides an estimate of revenue loss due to tax fraud, tax evasion, as well as bankruptcies, financial insolvencies or miscalculations.

Results:

- Number of arrests: 18, included 14 European Arrest Warrants;
- Assets seized: more than GBP 570 000, plus several Swiss bank accounts frozen.

CEO fraud on the rise

Over the last few years, Europe has witnessed a significant increase in payment order fraud. While CEO fraud remains the most common type of fraud, other frauds such as mass-marketing fraud or pyramid fraud are now emerging. Since January 2015, the US FBI has seen a 270% increase in identified victims and exposed loss, and estimates the total loss to CEO fraud worldwide to be approximately EUR 3.3 billion.

In order to combat this growing threat, Europol have a dedicated team of experts and analysts to support Member States with coordination of intelligence, cross-border investigations and awareness-raising initiatives. Although a strong emphasis is placed on CEO fraud, the team also deal with mass-mailing fraud, mass-marketing fraud, romance scams, pyramid fraud, investment fraud, 419 fraud, acquisition fraud, fake invoice fraud, and the like.

CEO fraud is based on persuasive dialogue, which is highly lucrative for the criminals and can have serious financial consequences for businesses. In CEO fraud, criminals impersonate the head of a company and coerce employees into making urgent and high-value cash transfers to a designated bank account. Whilst many international businesses have fallen prey to CEO fraud, very few are eager to report the fraud, due to potential reputational damage. All EU Member States are affected by this fraud.

Breakthrough in the international fight against CEO fraud

Austrian Police are investigating major CEO fraud cases that have caused substantial losses so, in May 2016, Vienna hosted an Expert Working Group on the subject. The event gathered 47 international experts from 15 EU Member States, Canada, Israel, Norway, Interpol and Europol.

By using social engineering techniques, criminals attack European companies and banks; often, the phone numbers and IP addresses being used originate in Israel. The presence of Israeli Police was therefore a great advantage, as many cases are being orchestrated by Franco-Israeli suspects. Austria, France, Germany and Europol agreed to sign a joint investigation team (JIT) agreement to address these activities, which will be supported by Israel.

Europol strengthens efforts to tackle social engineering

In January 2016, Europol hosted a global strategic meeting on social engineering, which gathered over 55 international experts to enhance cooperation when fighting crimes using social engineering techniques. In addition to the 28 EU Member States, specialists from Canada (Royal Canadian Mounted Police), Colombia, the former Yugoslav Republic of Macedonia, Norway, Switzerland and the United States (US Department of Justice and US Postal Inspection Service) also attended the event.

53 billion counterfeit and contraband cigarettes

The estimated revenue loss from counterfeit and contraband tobacco to the governments of the EU in 2016 was EUR 11.3 billion[19]. Tobacco smuggling affects us all. The stolen revenue could have been spent on vital public services such as schools, hospitals and law enforcement to combat the problem. Counterfeit and contraband tobacco consumption in the EU is estimated at 53 billion cigarettes per year. This is equivalent to 5300 x 40 foot containers full of cigarettes being smuggled into the EU each year. This equates to about 9.8% of total cigarette consumption, so 1 in 10 of all the cigarettes smoked in Europe are from an illicit source[20].

In 2010 the UN Security Council Investigative Body released a statement saying millions of dollars in illicit tobacco revenues are reaching al-Qaeda, the Taliban, other terrorist organisations and organised crime groups. Europol sees tobacco smuggling as a "crime enabler" or "threat financer". The huge illegal profits criminals make are used to fund other areas of serious organised crime. According to Transcrime[21], the illicit cigarette market yields between EUR 7.8 billion and EUR 10.5 billion in criminal proceeds.

Massive illegal cigarette factory shut down

In September 2016, officers from the Hungarian National Tax and Customs Authority (NTCA), raided an illegal factory in Budapest with Europol's support.

Results:

- A complete cigarette production line which was producing counterfeit Gold Mount cigarettes was seized;
- Six members of an OCG were arrested, including the organiser.

The Hungarian action triggered interventions in Austria and Slovakia. Austrian Customs raided a second illegal factory in Wiener Neustadt. Austrian authorities also detected a warehouse with non-tobacco materials (NTMs)[22], which was believed to be supporting the illegal factory.

Results:

- 8 people arrested;
- A brand new packing machine was seized;
- 4 million Marlboro cigarettes, believed to be counterfeit, were seized.

Slovak authorities raided warehouses in Komarno and Leopoldov.

Results:

- 3.5 tonnes of tobacco were seized in Komarno
- 102 800 Marlboro cigarettes were seized in Leopoldov.

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[19] KMPG Sun Report, 2015.

[20] *Idem.*

[21] The Transcrime Report, 2015.

[22] i.e. cigarette components, such as paper, filters, foil, glue.

100 tonnes of raw tobacco seized

In September 2016, the Spanish Guardia Civil Unit from Valencia, supported by Europol, dismantled an organised crime group involved in the undeclared production of hand rolling tobacco.

Results:

- 100 tonnes raw tobacco were seized;
- Estimated value EUR 16 million, and excise duty of EUR 2 million;
- 5 properties searched in the Valencia and Badajoz regions;
- 13 Spanish and Polish citizens arrested;
- 3 commercial tobacco manufacturing machines, 1866 smaller tobacco cutting machines, 3 high-value cars and 2 vans, were also seized.

Europol's analytical support resulted in the identification of links between Spanish and Polish intelligence. The suspects were charged with excise duty offences, membership of an organised crime group, and crimes against the treasury. Cooperation and research by the Spanish Customs and Tax Agency helped the Guardia Civil detect the excise fraud.

Providing advice and expertise

In January 2016, Europol was invited to contribute to the Australian Parliamentary Joint Committee on Law Enforcement inquiry into illicit tobacco. The inquiry looked into the importation of contraband, counterfeit and unbranded tobacco as well as domestically grown illicit tobacco. Europol provided a European perspective of the problem, highlighting the work of law enforcement agencies in this crime area to combat international organised crime and prevent loss of revenue.

Europol is a member of the advisory board for the report "On Tap: Organised Crime and the Illicit Trade in Tobacco, Alcohol and Pharmaceuticals in Europe", produced by the Royal United Services Institute for Defence and Security Studies (RUSI). In this capacity, it assisted RUSI researchers with specialist knowledge, advice and regional contacts for field visits.

MONEY

Euro attractive to counterfeiters

The global acceptance of the euro as a stable currency with low rates of inflation makes it an attractive currency for counterfeiters.

The total amount of counterfeits found in circulation in 2016 decreased compared to 2015. It was mainly the numbers of the EUR 20 notes that dropped considerably, making the EUR 50 then the most popular amongst counterfeiters. Therefore, following a statement from the European Central Bank (ECB), euro banknotes continue to be a trusted and safe means of payment. The issuing of a new series of banknotes underlines this, as the new design of the euro gives new impetus to paper money. The enhanced security features, especially the window in the higher denominations, make this new series one of the most sophisticated in the world.

Multidisciplinary approach to fight euro counterfeiting

Europol works with partners within Europe and across the world to protect the euro from counterfeiting. Within Europe, Europol cooperates not only with police organisations but more frequently with customs agencies too. To tackle the online sale and distribution of counterfeit euros, Europol has created a special working group which includes the European Central Bank, European Commission and some key Member States. This working group addresses the phenomenon on three different levels: prevention and awareness, law making and finally, international police cooperation and support.

As the European Union's central office for combating euro counterfeiting, one of Europol's key functions is to act as the worldwide contact point for the subject. Europol is involved in all major euro counterfeiting investigations in the EU, including joint investigation teams, providing financial, forensic support and on-the-spot assistance, in cooperation with the EC3 forensic lab.

High-quality EUR 100 print shop dismantled

In April 2016, the Bulgarian State Agency for National Security busted a print shop producing counterfeit EUR 100 banknotes. The counterfeiter had in place a complete system for quality control. He had different detection machines from different EU Member States and passed every banknote through every machine to establish the best countries to distribute the fake notes. This operation was financially supported by Europol; financing investigative measures is one of the many ways Europol supports its partners in fighting euro counterfeiting.

One of the Darknet's most active vendors arrested

Illegal trading platforms on the Darknet are being increasingly used by criminals to sell all kinds of illicit goods, including counterfeit euro banknotes. Europol's Forgery of Money Unit also focuses on this aspect of the phenomenon and provides intelligence to its partners.

This resulted in a successful operation by Italy's Guardia di Finanza that led to the arrest of one of the Darknet's main dealers of counterfeit euro banknotes in December 2016. Through intensive monitoring and excellent international cooperation, he could be identified and arrested at his home. In addition, seven other suspects in his criminal network were also arrested. This again proves that anonymity on the Darknet can be just an illusion.

Print shop producing counterfeit EUR 50 busted

In October 2016, a counterfeit euro print shop was dismantled in Plovdiv, Bulgaria, after a long-running international investigation initiated by Europol, and focused on a site producing counterfeit EUR 50 banknotes.

Working with Slovenian police authorities, 14 suspects were arrested, and over 3 million in counterfeit euro banknotes and 8kg of cocaine were seized. During the operation almost 300 police officers were deployed in both countries.

OPERATIONAL HUB

Launch of the upgraded 24/7 operational centre

Europol has been constantly improving its capabilities to ensure that its services are continuously available, providing round-the-clock support for its law enforcement partners. During recent years, Europol has strengthened its operational capabilities by redesigning its response to terrorism and serious and organised crime. In line with Europol's strategy to be the EU criminal information hub, and especially to provide effective and real-time information exchange, the new generation 24/7 Operational Centre at Europol was launched in 2016.

Europol duty officers work on a 24/7 basis to ensure an uninterrupted operational service for its partners, and to maximise the intake and processing of criminal information and intelligence. The frontline officers monitor not only operational information exchange but also identify incidents that require Europol's immediate attention to support its partner countries. Fifteen Europol officers currently work in shifts to monitor operational and open source information and offer real-time support to stakeholders. This is a completely different landscape and makes Europol the only EU law enforcement agency with this capability.

Moreover, a newly-upgraded operational environment has been established for joint action days as well as other cross-border operations. The upgraded facilities include a secure environment for international operations with the state-of-the art video-conferencing and interactive audio-visual solutions, as well as tailor-made multipurpose workstations, enabling a new level of cooperation between law enforcement officers. In designing and implementing this operational environment, Europol has taken advantage of experience gained in recent years, and feedback from its stakeholders and external experts.

Julia Viedma joined Europol in 2016 as Head of Business Area, Horizontal Operational Services. This centre provides EU Member States and also Europol operational units with a cross-cutting set of services and capabilities to support police investigations and information sharing on a 24/7 basis.

Julia served 8 years in the Spanish National Police as an investigator and manager in counter terrorism, drugs and organised crime. She joined the international policing arena in 1998 as a criminal intelligence officer at Interpol's General Secretariat in Lyon, France. She was then appointed to a number of prominent posts including Assistant Director for Europe, Director of National and Regional Police Services, Director of International Partnership and Development, and Director of Capacity Building and Training. As part of her functions, she moved to Singapore in 2012 to set up the Interpol Global Complex for Innovation (IGCI).

At Europol, Julia is in charge of the newly set-up Horizontal Operational Services (HOS) covering a wide range of supporting activities to Europol Member States and partners.

Enhanced support for operational activities in Member States

The new Horizontal Operational Services (HOS) area, set up at Europol in 2016, covers a wide range of supporting activities for EU Member States, including their liaison bureaux, and also Europol associated partners and internal stakeholders. In addition to the operational centre in charge of information processing and 24/7 coverage, HOS includes specialised services such as financial intelligence, strategic analysis, analysis and training coordination, special tactics, EMPACT support unit, liaison and stakeholders, deployment management team, resource management at operations directorate level and the Secretariat for Heads of Europol National Units (operating from the EU Member States' capitals). Europol's commitment, with its Member States and cooperating partners, moves the agency toward an increasing presence in the field, supporting live investigations and operations in crime hotspots, also through the deployment of Europol staff and mobile offices.
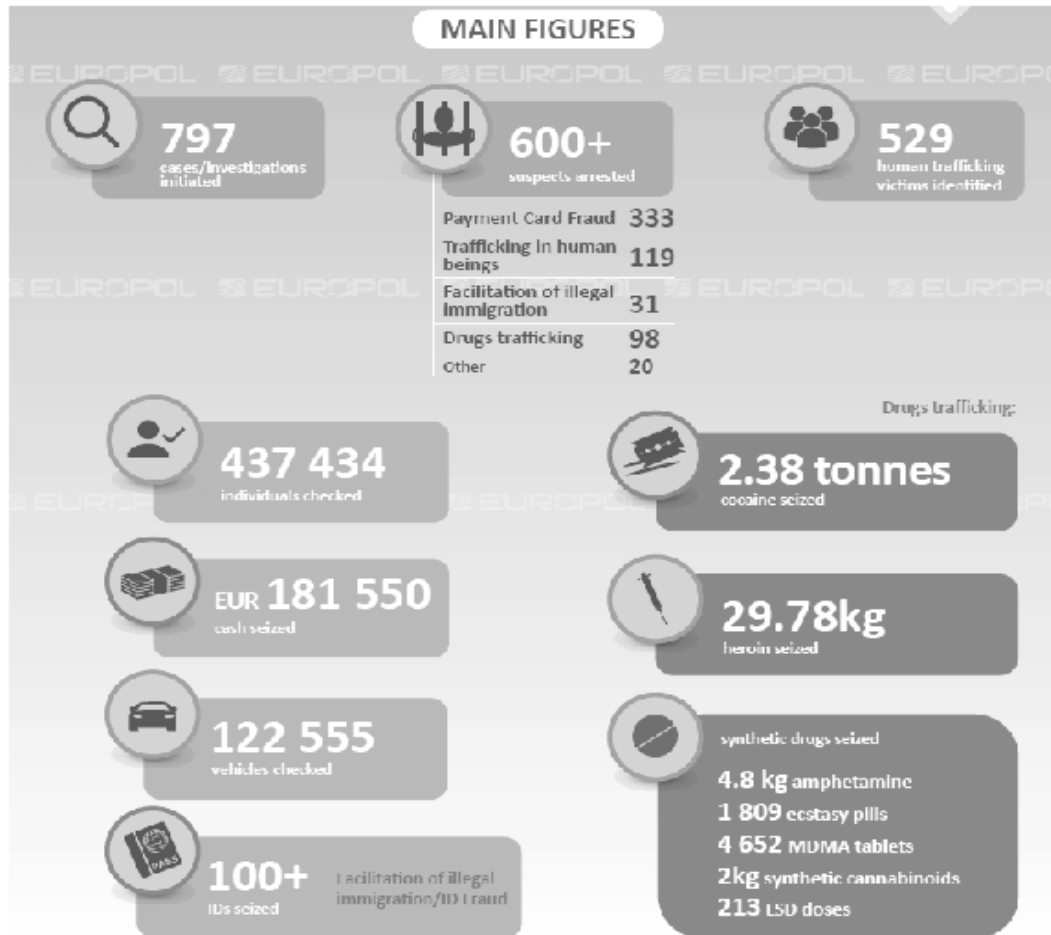
Joint action days

The series of joint action days (JADs) connecting operations of the EMPACT priorities continued in 2016 resulting in three joint actions, codenamed Ciconia Alba:

- Anti-labour exploitation action;
- Global Airport Action;
- Large-scale joint action days.

52 participating countries

EU Member States

Non EU partners: Albania, Australia, Brazil, Canada, Colombia, Ecuador, the former Yugoslav Republic of Macedonia, Iceland, Indonesia, Hong Kong, Malaysia, Mexico, New Zealand, Nigeria, Norway, Panama, Qatar, Philippines, Serbia, Singapore, Switzerland, Thailand, United Arab Emirates, United States of America.

Third partners: FRONTEX, INTERPOL

52 countries participated in Ciconia Alba in 2016. Law enforcement officers in the field provided 24/7 support from Europol's operational coordination centre in The Hague. From there, Europol officers, liaison officers and national experts from participating countries worked with specialists from other international partners, to ensure fast and smooth information exchange using Europol's secure channels, and analyse the intelligence gathered.

As a result of the JADs, more than 600 suspects were arrested over a series of three action weeks. Compared to 2015, the overall number of actions and number of suspects arrested was lower but the number of new investigations initiated increased exponentially. In 2016, nearly 800 new cases or investigations were started, compared to e.g. 14 during operation Archimedes. This clearly shows the increased intelligence-led approach of the joint action days[23]. The majority of the arrests were connected to payment card fraud and trafficking in human beings.

MAIN FIGURES

797 cases/investigations initiated

600+ suspects arrested

529 human trafficking victims identified

Payment Card Fraud	333
Trafficking in human beings	119
Facilitation of illegal immigration	31
Drugs trafficking	98
Other	20

437 434 individuals checked

EUR 181 550 cash seized

122 555 vehicles checked

100+ IDs seized — Facilitation of illegal immigration/ID fraud

Drugs trafficking

2.38 tonnes cocaine seized

29.78kg heroin seized

synthetic drugs seized
4.8 kg amphetamine
1 809 ecstasy pills
4 652 MDMA tablets
2kg synthetic cannabinoids
213 LSD doses

Analysing serious and organised crime threats

In 2016, Europol performed a large data collection from EU and non-EU Member States on the threats from serious and organised crime, receiving and analysing over 2300 contributions. This was the largest data collection and analysis ever done in preparation for producing a threat assessment on serious and organised crime. This data collection will serve as key input for the EU Serious and Organised Crime Threat Assessment (SOCTA), published in March 2017. The EU SOCTA will inform decision-making on EU crime priorities for the period 2018-2021.

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[23] Investigations are still ongoing, the number of arrests and seizures is therefore not the final result of all actions.

In November 2016, a regional SOCTA for Serbia, the former Yugoslav Republic of Macedonia and Montenegro was released in Belgrade. The report was jointly drafted with the support of Europol's strategic analysis team. More than 20 analysts from the countries involved also received strategic analysis training for serious organised crime threats.

INTELLIGENCE

52

Connecting 750 law enforcement authorities

Europol's Secure Information Exchange Network Application (SIENA) enables the swift and secure exchange of operational and strategic crime-related information and intelligence between EU Member States, Europol and cooperating third parties.

The number of law enforcement authorities with access to SIENA continued to grow in 2016 to a total of 757. Member States and third parties rolled out SIENA further to additional specialised and regional units in various law enforcement areas, including counter terrorism units, police and customs cooperation centres (PCCCs), and anti-corruption authorities. This included key US law enforcement agencies such as the Federal Bureau of Investigation (FBI), Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE) and US Secret Service (USSS), who were provided with the possibility to connect to SIENA directly from their headquarters.

To respond to the needs of counter-terrorism units, enhancements were made to SIENA which led to its accreditation for the exchange of information classified as CONFIDENTIEL UE/EU CONFIDENTIAL in October 2016. This was in addition to activities which further improved the possibility for partners to integrate their national case management and/or workflow systems with SIENA.

SIENA IN 2016

46 437 cases were initiated[24]
Increase of 16% over 2015

84% of the new cases were initiated by EU Member States
11% by third parties
5% by Europol

869 858 operational messages were exchanged (an increase of 19% over 2015)
On average **72 000** messages were exchanged each month

Crime areas of messages exchanged[25]
17% of messages exchanged were related to robbery
15% of messages exchanged were related to drug trafficking
15% of messages exchanged were related to illegal immigration
12% of messages exchanged were related to fraud and swindling
12% of messages exchanged were related to terrorism

757 competent authorities were configured in SIENA
with **6658** users (a 20% increase over 2015)

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[24] This number includes cases initiated by Police and Customs Cooperation Centres (PCCCs). In 2016, 38% of new SIENA cases were initiated by the PCCCs.
[25] Without taking into account messages exchanged in PCCCs.

28 Member States and 32 third parties are connected to SIENA
(19 third parties connected directly and 13 third parties connected indirectly).

1.5 million searches by 7000 officers

The Europol Information System (EIS) is a database in which information about offences, offenders, suspects and other key crime-related data can be stored and queried directly by EU Member States and Europol. As indicated in the statistics in this report, all aspects of use of the EIS continued to rise significantly in 2016. A further positive development was the increased interest of domestic security services in direct data sharing via the EIS. In 2016, seven such security services shared intelligence on foreign terrorist fighters through the system.

It is expected that the EIS will be made available to more EU law enforcement users in 2017 through the pilot project QUEST (QUerying Europol SysTems). QUEST will enable users in the pilot Member States to search the EIS from the same system they use to query other national and international databases to which they have access.

In the context of QUEST, Europol continued to invest in the Universal Message Format (UMF) as the European data exchange format for law enforcement. Currently, the UMF programme is led by Germany and has 17 participation Member States plus Norway, Frontex, eu-LISA, Interpol and Europol. The programme management office is jointly run by Germany's BKA and Europol.

Krzysztof Klebek, Team Leader Business Product Management, Europol Capabilities Department

Born:	Golczewo, Poland
Most recent location:	Team Leader, criminal data processing, Interpol
Education:	Polish Higher Police Academy, MA in Journalism and Political Science
Work experience:	25 years
Specialisations:	Criminal investigations (Polish Police), war crime investigations (ICTY), information and international police cooperation (UN, Interpol, Europol)

"When working for the Polish Central Bureau of Investigation, I realised the importance of being rapidly informed as to whether my suspects were criminally known in any other countries. For example, a year after the conclusion of an illicit drug lab investigation in Poland, a link to Spain was established and we consequently identified that one of the key suspects of the investigation had a serious criminal record in that country. Had this information been known earlier, it would have significantly helped the investigation. The ability to identify such links in a prompt and timely manner is what makes QUEST so important. Through QUEST, we want to make a difference by ensuring that information held at Europol is rapidly available to law enforcement in the Member States so they can confirm assumptions and reveal potential links quickly. From a more technical perspective, we strive for further standardisation in operational cross-border information exchange to ensure improved operational and resource efficiency. We are pleased to see that an increasing number of EU Member States and third parties, including Germany, Norway and Frontex, are implementing products and services which are compliant with the UMF standard."

EIS in 2016

395 357 objects in the system (an increase of 34% compared to 2015)
103,796 suspected and convicted criminals (an increase of 20% compared to 2015)

1 436 838 searches were performed in 2016 (an increase of 127% compared to 2015)
28 Member States (and Europol on behalf of the third parties) are using the EIS, which equals 7147 users

Major crime areas related to objects:
21% related to drug trafficking
18% related to robbery
14% related to other offences in Europol's mandate
7% related to fraud and swindling
6% related to money laundering

Year	EIS: Number of objects
2010	174 459
2011	183 240
2012	186 896
2013	245 142
2014	236 606
2015	295 374
2016	395 357

120 analysts looking for trends, patterns and missing links

The Europol Analysis System (EAS) is the state-of-the-art and powerful analysis tool supporting Europol analysts in their operational and in-depth strategic analysis of data provided by Member States and third parties. The EAS contains integration points with other core information processing systems at Europol such as SIENA and the Europol Information System, and provides a technical platform for hosting analysis work files.

Europol currently employs 120 analysts. They perform operational and strategic analysis and work for dedicated projects within specific areas of organised crime and terrorism. Analysts are also employed in Europol's Operational Centre, which is staffed 24/7. This unit manages the constant flow of data between Europol and its operational partners, assesses the data to be included in Europol databases and supports law enforcement operations across the EU and beyond. Europol's Operational Centre maintains a centralised cross-checking service and produces analytical reports when common elements are found.

NETWORKS

EN

Europol connects 10 000 law enforcement experts

The Europol Platform for Experts (EPE) is a secure collaboration web platform for experts in a variety of law enforcement areas. It facilitates the sharing of best practices, documentation, knowledge and non-personal data on crime. Experts can interact and collaborate with each other in closed platforms using the available tools for content management (such as a blog, or forum) and communication (e.g. private messaging or notifications).

By the end of 2016, the EPE counted more than 10 000 users from 85 countries in 50 platforms. In 2016, 2700 new users joined the EPE.

In 2016, Europol extended the range of services for EPE members. The Large File Exchange (LFE) and the Europol Malware Analysis System (EMAS) now also use the EPE Central Authentication System (EPE CAS) to authenticate users.

Another achievement is the migration of the European Bomb Data System, the Synth Lab and the Cocaine Logos systems into the EPE.

Examples of EPE communities:

- ATLAS – Special Intervention and Counter Terrorism Units

- ENFSI – European Network of Forensic Science Institutes – recently launched to improve the exchange of information in forensic science in the field of quality and competence management, research and development and education and training. Different forensic expertise areas are dealt by 17 different expert working groups.

- ROVER – recently launched to provide an overview of EU related Passenger Name Record (PNR) legislation and the latest developments on technical aspects of PNR implementation.

Professional backgrounds of EPE users
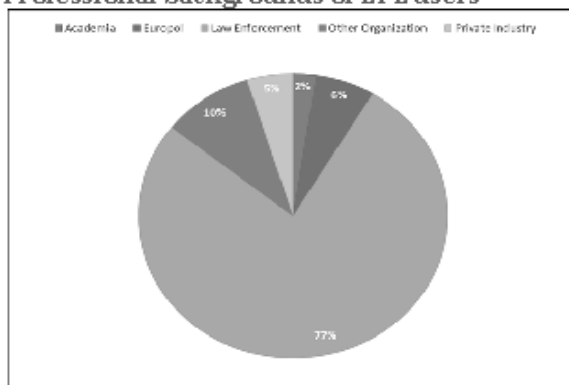
Europol Liaison Officers

200 liaison officers representing EU Member States and third countries are present at Europol headquarters, to facilitate cooperation and information exchange between countries, their national services and Europol.

Igor Vozáry
Head of the Slovak Liaison Bureau since 1 November 2014

Born:	Liptovský Mikuláš, Slovak Republic
Most recent location:	Bratislava
Education:	Master's degree in Commercial Management, University of Economics in Bratislava
Work experience:	16 years
Specialisations:	International police cooperation, liaison officers/police missions management, HR

Igor joined the Slovak Liaison Bureau at Europol in July 2014, becoming head of the office four months later. Slovakia assumed its historic first Presidency of the Council of the EU on 1 July 2016. This made Europol's Slovak Liaison Bureau the key actor in implementing the presidency's priorities on law enforcement cooperation. The Slovak Presidency focused on the issues of borders and Schengen, external dimensions of migration and asylum policy, as well as internal security and counter terrorism. For Europol, two of these areas were of special interest: the development of a comprehensive approach to the management of the migration crisis and the strengthening of internal security and counter-terrorism activities. To this end, Europol in cooperation with the Slovak Presidency, organised two expert meetings. The first was to raise the importance of financial investigation and asset recovery issues related to migrant smuggling. The second one underlined the significance of best practice sharing with respect to the smuggling and trafficking in human beings activities around reception and asylum centres as a means of effectively combating secondary movements of illegal migrants within the Schengen area. With regard to counter terrorism, and especially the enhancement and expansion of information sharing as well as the use of Europol databases by authorities, especially secret services, the first step was made by organising a fact-finding visit of the delegation of the Counter-Terrorism Group, chaired by a Slovak representative to Europol. Moreover, a number of events at Europol were co-organised by Slovakia, starting with the 2016 European Police Chiefs Convention, National EMPACT Coordinators' meeting, the 100th anniversary meeting of the Management Board, annual meeting of the European Network for the Protection of Public Figures, Joint Police Operation CARS within the framework of the large-scale operation Ciconia Alba.

During the second semester of 2016, Igor chaired the Heads of Desk Meetings as well as represented the community of liaison officers at Europol. Looking back on this opportunity, Igor said: "I would like to express my deepest gratitude to the other heads, my colleagues at the desk, the whole Europol National Unit and all the other colleagues for their support and willingness to share their experience".

LOOKING FORWARD

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LUIS DE EUSEBIO RAMOS
DEPUTY DIRECTOR
CAPABILITIES DEPARTMENT

In 2017 we began a major transformation process at Europol. The new Europol Regulation will unleash Europol's ability to manage information and open the door to innovation.

Innovation is the key word for the future. The volume, variety and velocity of data are becoming overwhelming when addressed with traditional means. Crime, reflecting society, is also becoming progressively digital. In this context the gap between the problem and our ability to tackle it is increasing day-by-day with more cases, more speed and diverse data.

As the traditional approach of adding more analytical resources does not scale up indefinitely, ICT is the solution. In fact, our ICT strategy and roadmap will incorporate an unprecedented level of innovation which will be directly visible in the 2017 work plan. As a result, we expect to provide Europol analysts with instruments that are adequate for the volume and type of challenges that they are progressively facing, that reduce the need for mostly manual handling and eventually position Europol as a leader in the field and make it a go-to centre of excellence in Europe.

We will also continue to extend and improve Europol's core ICT systems in the wake of the Integrated Data Management Concept (IDMC). The interconnection to European databases, especially VIS and possibly EURODAC, will be complemented by the development of QUEST in parallel to the work of the Commission's High Level Experts Group (HLEG) on Interoperability.

With regards to the Administration at Europol, 2016 was another challenging year due to a considerable growth of staff and budgetary resources, which increased pressure on administrative management, recruitment and housing - a trend which will continue in 2017. Important issues will concern ensuring workspaces for staff and other personnel in compliance with acceptable standards. Negotiations are ongoing with the host state to explore mid- and long-term possibilities, meanwhile short-term arrangements are already visible in the building.

Concerning human resource management, a number of initiatives are being developed and implemented aiming at facilitating internal mobility and staff allocation. Furthermore, good administration relies on efficient ICT tools. Accordingly, in coordination with ICT services, Administration is working on a number of initiatives aiming at digitalising workflows of HR-related processes. Recently, for example, the e-recruitment tool was launched, which will have a large impact on facilitating access to services and shortening the necessary time to deal with requests.

Finally, Europol will also welcome the new Head of Administration Business Area as of May 2017 who will take over the steering of these important processes.

It is obvious that 2017 represents the tipping point for a renewed Europol and I believe that with the dedicated work of a professional team of Europol staff and the ever-growing support of the Member States we will continue to encounter each challenge as a good opportunity to prove the best.

OLDŘICH MARTINŮ

DEPUTY DIRECTOR
GOVERNANCE DEPARTMENT

More than ever, the persistent and major challenges to the EU's security demand that Europol works as efficiently as possible. Key to this end will be the full implementation of Europol's new legal base, the Europol Regulation, which was adopted in May 2016 and finally became applicable in May 2017. The Regulation will translate into important and fundamental changes in the way Europol does business in all its areas of work, from data management and data protection to its external relations with third countries or private parties. Europol's Governance Department has made major efforts to drive forward the implementation process in 2016 and its finalisation is a key goal for the rest of 2017.

Europol also continued to build and deepen its global partnerships. The Governance Department facilitated the negotiation and signing of important cooperation agreements with Brazil, Bosnia and Herzegovina, China, Georgia, the United Arab Emirates and Ukraine, and made sure Europol expands its cooperation with key partner agencies in the EU, such as Frontex and eu-LISA.

The crisis zones and vast security challenges in the EU's immediate neighbourhood and beyond will further increase the focus on Europol's external relations in the coming years. On the basis of its new External Strategy 2017-2020, Europol will deepen its existing network of partnerships but also exploit new possibilities under the Europol Regulation with regard to regions of growing importance such as the Middle East and North Africa. The External Strategy will guide all of Europol's efforts to further strengthen its role as the preferred platform for international law enforcement cooperation against threats to the EU's security.

WIL VAN GEMERT
DEPUTY DIRECTOR
OPERATIONS DEPARTMENT

Fraternité, Brussels, Nice, Guest Officers, increasing information flow, double the amount of searches in the EIS, launch of the ECTC, reorganisation of the Operations Department; all are among the major factors that played a significant role in the activities of the Operations Department in 2016. Surely not all of the same level and impact, but all important within a changing environment. 2016 did change the environment, the tasking and the performance of Europol, and more specifically of the Operations Department. We used it to get ready for the future by reorganising ourselves into a more flexible and centre-orientated organisation, and to support and assist the Member States in their fight against crime and terrorism. And, in doing so, we also managed to keep open the regular support with an even higher level of recognition by the Member States. This is something that I am proud of and at the same time grateful to the staff of my department.

New challenges will come up in 2017, such as getting into concrete proposed ways of working with the UK for the years to come. Getting used to the new Europol Regulation and defining the different analytical support and the new possibilities that IDMC is giving, are just a few. In 2017 we will further invest in the three Centres that have been created and in the support provided by the Front Office and the Horizontal Operational Services. The implementation of a 24/7 service has already proven to be a successful concept, as is also the early involvement in live investigations, be it on terrorism or on drugs. In this way Europol is constantly evolving, not only from collecting information but also towards connecting information, investigations and people. In March 2017 we delivered the new SOCTA, which will lead to decision-making on the European priorities for the upcoming 4 years of the Policy Cycle. Once again we will be in the

position to support the operational plans by means of grants, but in a more agile and flexible way following the new provisions contained in the Europol Regulation.

This will also enable us to be part of the full investigative cycle, by providing support to all phases of investigations and supporting the frontline activities of law enforcement even more.

Of course, the unexpected will most likely still happen. We are ready to respond, we have the structure and facilities in place and the strong cooperation of our partners, not only within the law enforcement community but also with external stakeholders. All of this in order to live up to our mission to make Europe safer.