



AIR CARGO SECURITY POLICY NEWSLETTER

EU Internal Security Strategy – Recognizing the impact of Crime in the Supply Chain December 2, 2010

“Internal security” is a term much used by national governments, law enforcement and security agencies. It involves the state bringing together the activities of all of the agencies at national, regional, local and community level into one overall plan to protect and maintain internal security.

Internal security embraces all aspects of security from border controls to public order, from civil disasters (eg: floods) to counter-terrorism, from surveillance (eg: using undercover sources) and intelligence-gathering (e.g.: monitoring internet usage) to tackling crime, from drug trafficking to critical infrastructures.

It brings together the operations and work of the police (including para-military units), immigration and customs, internal security agencies, civil contingency planning, the military, judges and courts, national and local government, hospitals and fire-fighters, multi-national companies and small businesses, schools, universities and civil society.

The newsletter discusses and provides links to documents entitled (a) “*EU Internal Security Strategy in Action*” and (b) “*Council Conclusions on the creation and implementation of a EU policy cycle for organised and serious international crime*”.



Supply chain security is becoming increasingly focused on the prevention of crime. This is evident from the emphasis on crime prevention in the attached EU internal security strategy documents.

Supply chain crime is also a major focus of the LOGSEC research project, funded by the 7th Framework Programme, to develop a strategic roadmap towards a large scale demonstration project in European logistics and supply chain security.¹

The newsletter provides an overview (c) of the OCTA Organised Crime Threat Assessment document (2009). This is an assessment of current and expected trends in organised crime affecting the EU and its citizens. Based on analysis Europol assess that the most significant criminal sectors are drug trafficking, trafficking in human beings, illegal immigration, fraud, counterfeiting and money laundering.

The final section in the newsletter (d) is a report that police in Spain and Thailand recently arrested ten people suspected of operating a counterfeiting network that provided false EU passports to terrorist groups linked to al Qaeda in order to smooth their entry into Western countries.

(a) EU Internal Security Strategy (ISS) – a comprehensive approach that includes emphasis on organized and serious crime

The EU has been working for some time to launch its own Internal Security Strategy (ISS).

¹ www.logsec.org

The Standing Committee on Internal Security (COSI), which will be responsible for developing the ISS was both foreseen under the then-EU Constitution (later replaced by the Lisbon Treaty). In the event the Treaty and the Stockholm Programme only came into effect at the beginning of 2010. The Council Presidency document Draft Internal Security Strategy for the European Union: "Towards a European Security Model"², stated

"The concept of internal security must be understood as a wide and comprehensive concept which straddles multiple sectors in order to address these major threats and others which have an impact on the lives, safety, and well-being of citizens, including natural and manmade disasters such as forest fires, earthquakes, floods and storms.

The cooperation of law enforcement and border authorities, judicial authorities and other services, for example the health, social and civil protection sectors, is essential. Europe's Internal Security Strategy must exploit the potential synergies that exist in the areas of law enforcement cooperation, integrated border management and criminal justice systems.

Indeed, these fields of activity in the European area of freedom, security and justice are inseparable: the Internal Security Strategy must ensure that they complement and reinforce one another."

The concept of internal security embraces horizontal and vertical cooperation both at the

² Draft Internal Security Strategy for the European Union: "Towards a European Security Model" discussed in our newsletter of Sept 7th 2010
<http://register.consilium.europa.eu/pdf/en/10/st05/st05842-re02.en10.pdf>



national and European level. Horizontally by linking all the main agencies in the national states and the European state to common purposes, programmes, intelligence and technology. Vertically, to link all active elements at regional, local and community level to the framework set out above.

This includes law enforcement, the judiciary and civil protection, regional and local government, businesses, universities and schools and civil society. The emergence of internal security signals a change in the scope of what is termed “Home Affairs” in the Council (internal security, immigration, policing and criminal law) and Commission (where it covers internal security and immigration).

The EU is beginning to flex its muscles with the proposed EUPNR, EU-SWIFT and EU exit-entry system, and aggressive new agencies like FRONTEX. When it finally comes together the ISS will embrace these and other initiatives into its operational planning.

However, the first indication of how the Internal Security Strategy might develop is given in the Council Conclusions on the creation and implementation of a EU policy cycle for organised and serious crime³

This first “policy cycle” emphasizes the call to define a comprehensive EU Internal Security

³ Council Conclusions on the creation and implementation of a EU policy cycle for organised and serious international crime, included as an attachment

Strategy based, in particular, on the following principles:

- clarity on the division of tasks between the Union and the Member States, reflecting a shared vision of today’s challenges;
- solidarity between member States;
- reflection of a proactive and intelligence-led approach; and
- “stringent” cooperation between the Union Agencies including further improving their information exchange.

In addition this report called for upon the Council and the Commission to

- adopt an organised crime strategy, within the framework of the Internal Security Strategy,
- set its priorities in crime policy by identifying the types of crime against which it will deploy the tools it has developed, while continuing to use the Organised Crime Threat Assessment Report (OCTA) and its regional versions;

The present Organised Crime Threat Assessment (OCTA) is to become EU SOCTA (EU Serious and Organised Crime Threat Assessment) from 2013 backed by Multi-Annual Strategic Plans (MASPs) and annual Operational Action Plans (OAP) in a four year policy cycle. Member States’ and EU agencies are to be tied into the EU’s SOCTA - for example, through integrated reporting mechanisms and “National Intelligence Models” are to be “Aligned” to the European Crime Intelligence Model (ECIM).

“Council Conclusions on the creation and implementation of a EU policy cycle for organised and serious international crime” can be downloaded at:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/jha/117583.pdf



(b) EU Internal Security Strategy in Action

The "EU Internal Security Strategy in Action" document attached to this Newsletter was adopted on 22 November 2010. comprises 41 actions targeting the most urgent security threats facing Europe.

They include a shared agenda to disrupt criminal and terrorist networks, to protect citizens, businesses and societies against cybercrime, to increase EU security by smarter border management, and to strengthen the Union's readiness and response to crises.

The Commission now proposes measures to address these challenges. A legislative proposal for confiscation of criminal assets is one of them. The EU should also help empower communities to address radicalisation and recruitment, and identify ways to better protect transport infrastructure, particularly land transport, against terrorism. A European cybercrime centre is proposed to bring together expertise in investigation and prevention of cybercrime, and a series of steps for a smarter approach to border management and preparing for and responding to crises and disasters are in the pipeline.

"EU internal security has traditionally been following a silo mentality, focusing on one area at a time. Now we take a common approach on how to respond to the security threats and challenges ahead. Terrorism, organised, cross-border and cyber crime, and crises and disasters are areas where we need to combine our efforts and work together in order to increase the security of our citizens, businesses, and societies across the EU. This strategy outlines the threats ahead and the necessary actions we must take in order to be able to fight

them. I encourage all relevant actors to take their responsibility to implement these actions and thereby to strengthen EU security", said Cecilia Malmström, Commissioner for Home Affairs.

Car theft, burglaries, drug dealing and credit card fraud are often local manifestations of global criminal networks operating across borders and in cyberspace. Criminals are increasingly using the Internet for both petty crimes and large scale attacks. The EU external borders are being exploited for trafficking of drugs, counterfeit goods, weapons, and human beings, and criminal networks are draining revenue from public finances on a massive scale. The International Monetary Fund estimates that profits generated by financial crimes alone amount to up to five percent of global GDP. Crises and disasters, whether they are earthquakes and floods or caused by human error or malicious intent, can cause human misery and economic and environmental damage. At the same time, terrorists find new ways of harming our societies, including targeting susceptible individuals with violent extremist propaganda.

The EU Internal Security Strategy in Action document identifies five strategic objectives and outlines a series of actions for each of them, such as:

1. Disrupt international crime networks threatening our society

- A series of proposals to quickly and efficiently seize and confiscate criminal profits and assets (2011).
- Proposal on the use of EU Passenger Name Records (2011).



- Proposal on monitoring and assisting Member States in the fight against corruption (2011)

2. Prevent terrorism and address radicalisation and recruitment

- A policy for EU extraction and analysis of financial messaging data, EU TFTP (2011).
- Establishment of an EU radicalisation-awareness network and measures to
- support civil society in exposing, translating and challenging violent extremist propaganda (2011).
- Strengthening EU transport security policy (2011).

3. Raise levels of security for citizens and businesses in cyberspace

- Establishment of an EU cybercrime centre (2013).
- Establishment of a network of Computer Emergency Response Teams (2012).
- Establishment of a European information sharing and alert system, EISAS (2013).

4. Strengthen security through border management

- Establishment of European external border surveillance system, EUROSUR (2011).
- Better analysis to identify 'hot spots' at the external borders (2011).
- Joint reports on human trafficking, human smuggling and smuggling of illicit goods as a basis for joint operations (2011).

5. Increase Europe's resilience towards crises and disasters

- Proposal on the implementation of the solidarity clause (2011).
- Proposal for a European Emergency Response Capacity (2011).
- Establishment of a risk management policy linking threat and risk assessments to decision making (2014).

Background

The Internal Security Strategy is a key feature of the Stockholm Programme. In February 2010, the Spanish EU Presidency outlined the security challenges for the EU in an Internal Security Strategy ("Towards a European Security Model")⁴, and called on the Commission to identify action-oriented proposals for implementing it.

"The EU Internal Security Strategy in Action: Five steps towards a more secure Europe" [COM(2010) 673 – Final] can be downloaded at:

http://ec.europa.eu/commission_2010-2014/malmstrom/archive/internal_security_strategy_in_action_en.pdf

⁴ Discussed and Included in the September 7th Newsletter



(c) The OCTA Organised Crime Threat Assessment document (EU 2009)

The OCTA is an assessment of current and expected trends in organised crime affecting the EU and its citizens. Based on analysis Europol assess that the most significant criminal sectors are drug trafficking, trafficking in human beings, illegal immigration, fraud, counterfeiting and money laundering.

Criminal hubs

Criminal activities are mainly analysed through the criminal hubs concept. A criminal hub is a conceptual entity that is generated by a combination of factors such as proximity to major destination markets, geographic location, infrastructure, types of organised crime groups and migration processes concerning key criminals or organised crime groups in general.

Europol has identified five criminal hubs in the EU with wide-spread effects reaching beyond national borders and shaping criminal markets:

1) The North West criminal hub. It is a distribution centre for heroin, cocaine, synthetic drugs and cannabis products. Its influence extends to the UK, Ireland, France, Spain, Germany and the Baltic and Scandinavian countries.

2) The South West criminal hub. The impact of this market is felt especially in the criminal markets of cocaine, cannabis, trafficking in human beings and illegal immigration. West and North West Africa as well as other parts of this continent have emerged as significant feeders for either the South West criminal hub or, increasingly, directly to important markets and distribution centres in the EU.

3) The North East criminal hub. This area is and will continue to be strongly influenced by feeders and transit zones located just outside the eastern EU borders (the Russian Federation/Kaliningrad, the Ukraine and Belarus). Illicit flows may be traced from the East towards the West (women for sexual exploitation, illegal immigrants, cigarettes, counterfeit goods, synthetic drugs precursors and heroin) but also vice versa (cocaine and cannabis products).

4) The Southern criminal hub. The role of this hub is central in relation to cigarette smuggling, the smuggling and distribution of counterfeit products and the production of counterfeit euro banknotes.

5) The South East criminal hub. This area is based upon its geographical location between Asia and Europe. Logistically, the importance of the Black Sea and related waterways define the hub and will create opportunities for both legal trade and organised crime. Opiates reach Europe through the Balkan routes and the Northern Black Sea route across Central Asia and Russia. The significance of the port of Constanta in cocaine traffic is growing, and cocaine seems to be increasingly arriving into the EU via Turkey and/or the Balkans. This may also be the effect of the already well-established role of West Africa as a transit zone.

The full OCTA report can be downloaded at :

http://www.ipep.info/?do=viewnieuws&id=176&PHPS_ESSID=a7642f4b12a52b4ad53d2c1d839b01f5



(d) Police in Spain and Thailand arrest 10 in Qaeda-linked Ring - International Herald Tribune

The police in Spain and Thailand arrested 10 people suspected of operating a counterfeiting network that provided fake European passports to terrorist groups linked to Al Qaeda in order to smooth their entry into Western countries, the Spanish Interior Ministry said Wednesday.

Seven people — six Pakistanis and one Nigerian — were arrested in Barcelona in raids late on Tuesday and early on Wednesday, and three more — two Pakistanis and one Thai — were arrested in Bangkok in the same period, the ministry said in a statement.

One of the Pakistanis arrested in Bangkok, a 42-year-old named Muhammad Athar Butt, known as Tony, directed the forging operation from Thailand, according to a Spanish security official. Mr. Butt was also in charge of cells in Brussels and London, the security official said, speaking on condition of anonymity because the official was talking about a current investigation.

The arrests struck at “an important passport operation for Al Qaeda, weakening its international counterfeiting apparatus, and therefore, its capacity to operate,” the ministry statement said, adding that the raids came after a year-and-a-half-long international investigation, which is continuing.

The police said the network was linked to Lashkar-e-Taiba, the Pakistan-based terrorist group behind attacks in Mumbai, India, in November 2008 that killed at least 163 people. The network also provided counterfeit passports and other documents to the Tamil Tigers, the Sri Lankan separatist group defeated last year by the government after decades of war, the police said.

The terrorist organizations would request forged passports from the network according to nationality and age, the authorities said. Members of the network would then steal passports from tourists, mainly in Barcelona, and send them to Thailand where they were forwarded to the terrorist groups, they said.

The ministry statement hinted at how the plot was discovered, saying that officials had “detected the transport to Thailand of numerous passports stolen from Spain.”

The raids come at a time of heightened concern among American and European officials over a possible terrorist strike in Europe. In October, the State Department in Washington issued an alert for American travelers to Europe to be vigilant about possible attacks.

The arrests in Spain and Thailand offer a window into the shadowy nexus between terrorist organizations and loose criminal networks in Europe and Asia that facilitate terrorist activities by helping provide militants with transportation, weapons or logistical support. Some terrorist groups use in-house facilitators — to raise money, for instance — while they outsource other needs for their illicit operations.

Counterterrorism specialists say that disrupting facilitators who provide militants valuable services can sharply disrupt terrorist groups, at least until they find replacements.

The police seized nine passports awaiting shipment to Thailand and another that had already been forged, along with a computer and 50 cellphones in raids on the suspects’ homes in Raval, a downtown neighborhood that is home to a large immigrant community. Spanish television showed images of one of the arrests,



with a man taken away in handcuffs at dawn by the police. The man was heard repeatedly saying, "I'm not a terrorist, that is a lie." An Interior Ministry official familiar with the case said further arrests could not be ruled out.

In January 2008, Spain's military police arrested 14 men in Raval, who were accused of being part of a vast, coordinated suicide plot that officials said demonstrated the growing threat of terrorist activities migrating from Pakistan to Continental Europe.

Raphael Minder reported from Madrid, and J. David Goodman from New York. Souad Mekhennet contributed reporting from Frankfurt, and Eric Schmitt from Washington.

