



Analytical Report

Motor Vehicle Crime in Global Perspective

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ANNEX I Blank questionnaire

EXECUTIVE SUMMARY

The existence of transnational organized crime groups active in motor vehicle crime is acknowledged by the majority (89.8%) of member countries that replied to the questionnaire. Another majority of 82% of the member countries that replied to the questionnaire have special units in place that deal with motor vehicle crime or take part in regularly organized operations that focus on motor vehicle crime.

There is no accurate standard, model or metric available to measure organized crime. At best, calculated estimates can be made using statistics, economic trade models and known financial flows in combination with seizures, arrests and convictions of perpetrators. Similarly, there are no comparable statistics available on the economic damage caused by Motor Vehicle Crime. Indications and estimations are made using statistics provided by insurance companies that supply vehicle-related insurance policies. INTERPOL's Stolen Motor Vehicle database, in combination with the automated search facility, is a tool already in place to develop and standardize statistics with regard to transnational motor vehicle crime.

Stakeholders that are affected by motor vehicle crime are car manufacturers, the vehicle owner, law enforcement agencies, registration authorities, insurance companies, legislative bodies, justice departments and vehicle related business such as rental companies and scrap yards.

Legislation and the enforcement of laws with regard to, for example, vehicle-related insurance, technical status of the vehicle and import/export procedures varies greatly in different countries. This negatively influences international cooperation with regard to transnational motor vehicle crime.

Targeted stolen vehicles can be divided into two categories. The majority is readily available and of a common car make and model (quantity). The second category of vehicles (quality) are those that are extra lucrative (Sport Utility Vehicles and luxury cars, for example) that are sometimes targeted especially.

A majority of 59% of the member countries that replied to the questionnaire state that some level of violence is used in the theft of a motor vehicle with a wide range of violence levels. The modus operandi with regard to motor vehicle crime in South American countries seem to involve more violence and the use of psychotropic substance compared to other regions.

A majority of 87.7% of member countries report that stolen vehicles as a whole or in parts are taken to their bordering countries. At present, there is no in-depth analysis on routes and the flux of routes available.

A shared language and ethnicity as well as the homogeneous structure of organized crime groups are important factors to consider in the (facilitated) movement of illicit goods in general, and stolen motor vehicles in particular.

Transnational organized Motor Vehicle Crime is often linked to other crime areas such as corruption, terrorism, robbery, trafficking in human beings, drug trafficking and the illicit trade in weapons.

INTRODUCTION

One car stolen in a moment of opportunity and used for a joyride by boisterous teenagers, seems a reasonably minor offense in the light of a one year old car stolen in the Greater Toronto Area, Canada, turning up a month later in a container on a ship in Rotterdam harbor, The Netherlands, bound for Ghana, Africa¹. For the car owners concerned, these two cases are just about his or her individual vehicle having been taken without permission. Yet, the implication of the criminal act may be much more profound.

There is no such crime as Motor Vehicle Crime or Stolen Motor Vehicles. Globally, legislation makes a distinction into, for example: embezzlement; insurance fraud; joyriding; property theft; carjacking or home jacking.

Within law enforcement, Motor Vehicle Crime may not always have the same priority level as the crime areas of drugs, trafficking in human beings, child abuse and terrorism. In fighting transnational organized crime, however, stolen motor vehicles should, in many cases, literally be seen as the “vehicle” of the crime. Stolen vehicles are found to be the way of transport for bank robbers; illegal drugs are paid for with stolen vehicles; victims of trafficking in human beings are being discovered in stolen vehicles and car bombs are traditionally hidden in a stolen vehicle.

1

http://www.thestar.com/news/investigations/2009/07/11/vehicles_stolen_in_gta_shipped_around_the_world.html; accessed 4 September 2013

AIMS AND OBJECTIVES

In order to identify transnational organized crime groups involved, and to develop common preventive and repressive strategies, EUROPOL and INTERPOL in 2012 jointly proposed a worldwide questionnaire in a cooperative effort to provide a comprehensive global overview of vehicle crime for EUROPOL's and INTERPOL's member countries and law enforcement organizations.

As such, this report is a first attempt to produce a global overview of Motor Vehicle Crime. The report's results and shortcomings may serve as a starting point for future in-depth analysis on single aspects of vehicle crime.

Another factor which influences the analysis is the national situation of member countries. Countries in (post)conflict zones often struggle to provide accurate information due to the absence or destruction of archives. In addition, the social aspect of refugees, migrants or displaced persons is a factor for consideration. A United Nations mission is presently active in 5 of the countries which replied to the questionnaire. This constitutes 10.2% of the total replies.

The use of additional information from INTERPOL statistics, analytical reports and open sources enabled a more comprehensive global assessment of the current situation in Motor Vehicle Crime with links to transnational organized crime.

Although the underlying questionnaire included different vehicle categories (cars, heavy goods vehicles, trailers, busses, motorbikes (> 50 cc), construction machinery, agricultural vehicles), this report focusses mainly on cars.

1 LINKS BETWEEN MOTOR VEHICLE CRIME AND TRANSNATIONAL ORGANIZED CRIME

On the one hand, it is important to recognize that there is no accurate standard, model or metric to measure organized crime in general. Organized crime by nature is placed in a complex world of concealment, connections and cash, hardly leaving a paper trail to investigate. At best, calculated estimates can be made using statistics, economic trade models and known financial flows in combination with seizures, arrests and convictions of perpetrators.^{2 3}

On the other hand, in the scope of this analysis, it is important to recognize that in many cases Motor Vehicle Crime is not an isolated criminal activity but linked to transnational organized crime and often to other serious crimes.

The German Bundeskriminalamt, in its 2012 report on vehicle crime, for example, reports a high professionalism among perpetrator groups. The technical devices to overcome electronic vehicle safety features, the undetected transport of the stolen vehicles, the dismantling of the stolen vehicles, the falsification of vehicle documents and alteration of vehicle identification markers as well as the ability for widespread and transnational sales are all aspects of the motor vehicle crime cycle which require extensive logistic capabilities besides high professional and organizational levels.⁴

Therefore, it is important for law enforcement agencies, when first encountering stolen motor vehicle related crime, to determine whether the case at hand can be linked to organized crime or whether it is a singular case (e.g. joy ride). If there is a possible link to organized crime, the case should be recorded in national databases in order to enable the production of statistics with regard to (transnational) organized crime.

The existence of organized crime groups dealing with Motor Vehicle Crime and acting transnationally is underlined by the replies to the questionnaire. 44 of the total of 49 replies recognized the involvement of organized crime groups with regard to stolen motor vehicles (89.8%).

Linked to this, it is also interesting to focus on the organizational setup of police organizations with regard to Motor Vehicle Crime. Out of the 49 replies, 40 member countries (82%) mentioned special vehicle crime units in place nationally, or regular operations held with regard to vehicle crime. Six member countries gave no reply. Only three member countries (6%) replied that no such unit was active in their country. The large number of specialized vehicle crime units in place could be instrumental in initializing and supporting statistics with regard to motor vehicle crime.

In addition, the use of INTERPOL's Stolen Motor Vehicle database in combination with the automated search facility is a tool already in place to develop and standardize statistics.

² Van Dijk, Jan. *Mafia markers: assessing organized crime and its impact upon societies*, Springer Science + Business Media, p. 1, 9 October 2007

³ Shaw, Mark and Reitano, Tuesday. *The evolution of organised crime in Africa. Towards a new response*, Institute for Security Studies Paper 244, p. 6, April 2013

⁴ Bundeskriminalamt, KFZ-Kriminalität, Bundeslagebild 2012, p. 8

2 ECONOMIC ASPECT OF MOTOR VEHICLE CRIME

The crimes of stealing, embezzling, handling or transporting a stolen vehicle as well as the related profit and the penalty, if caught, are subject to basic economic principles: cost/benefit relation and demand and supply principle. Perpetrators and relevant organized crime organizations may have completely different profiles in different parts of the world, but they all adhere to those economic principles. Or, as worded by the Financial Action Task Force in their 2011 report on Money Laundering Risks Arising from Trafficking in Human Beings and Smuggling of Migrants:

“Organised crime groups will form according to the end-goal of profit-maximisation, they will engage in any sort of activity with their eyes on profit-maximisation, will select their operation territory according to what is most profitable, co-operate with each other just as long as it is profitable, and so on.”⁵

In this light, stolen vehicles as products are no different. Stolen motor vehicles result in easy money. Trained and experienced car thieves all over the world need between five and ten minutes to open and start a brand new car. Factors that influence the cost/benefit calculation:

- A relative small investment requirement for the necessary tools to commit the crime;
- In comparison to other crimes, there is a generally mild punishment if convicted;
- The ample supply and opportunity in origin areas in combination with plenty of prospective customers in destination areas.

There are no globally comparable statistics available on the economic damage caused by Motor Vehicle Crime. Insurance companies, supplying vehicle-related insurance policies, produce financial data on their business results. Sometimes these insurance companies have organized into an association of insurance companies which have developed standardized financial statistics in order to compare results. At present, these financial statistics generated by insurance companies seem to provide the most objective method of calculating the economic damage caused by motor vehicle crime from the vehicle perspective. Figures generated in this way, however, do not take into account other economic damage such as the cost of law enforcement or judicial resources spent on combatting motor vehicle crime.

An indication of the scale of the economic damage involved, for example, can be found in an analysis by an insurance company in the United Kingdom: in 2011, 65,000 vehicles were stolen and never recovered in the United Kingdom. Using the data of 3,000 insurance claims, the average value of a stolen car was 4,600 British pounds (€ 5,474), totaling € 355 million annually.⁶

The German Bundeskriminalamt uses the 2011 figures provided by the German association of insurance companies for the total economic damage on stolen motor vehicles: almost 260 million Euros. This amount represents only stolen vehicles (and not, for example, vehicles which are lost through fraud). The total economic damage is an increase of almost 1% compared to 2010 and a 19% increase compared to the average total amount of the previous 5 years. Moreover, the average individual claim was higher. This could be caused by an increased market value of the average car stolen or an indication of a trend in which motor vehicles with a higher value are targeted.⁷

Another indication of the economic damage is provided by the National Motor Vehicle Theft Reduction Council, a joint initiative of all Australian governments and the insurance industry. This organization estimates that the Australian community is set back over 610 million Australian Dollars (€ 422 million) per year in higher insurance premiums and demands on the justice system.⁸

⁵ Money Laundering Risks Arising from THB and Smuggling of Migrants, Financial Task Force, 2011

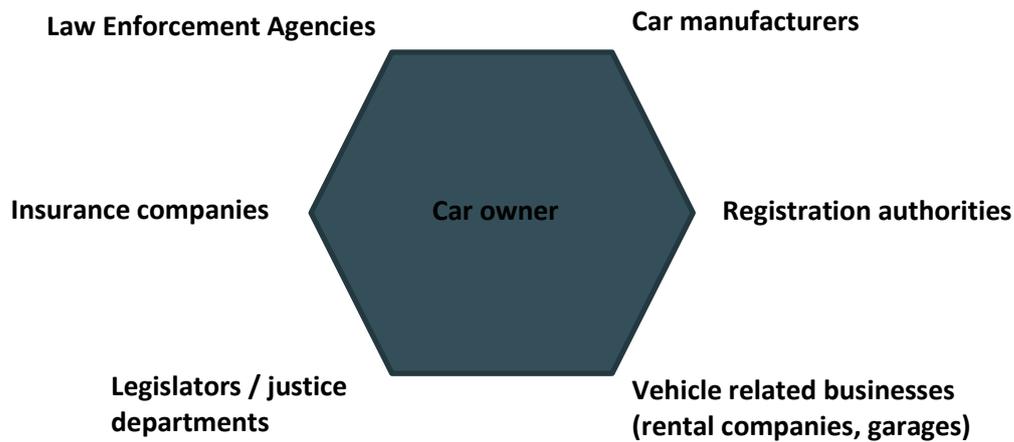
⁶ <http://www.swiftcover.com/about/press/recovered-unrecovered/>, accessed 6 September 2013

⁷ Bundeskriminalamt, KFZ-Kriminalität, Bundeslagebild 2012, p. 4

⁸ <http://www.carsafe.com.au/>, accessed 25 September 2013

Stakeholders

The following figure represents the stakeholders in motor vehicle crime.



Interaction between the stakeholders is not new, of course. An area to be explored is the cooperation between stakeholders. Law enforcement agencies could hold the key to initiating both preventive and repressive measures with regard to motor vehicle crime in cooperation with one or more of the other stakeholders.

LEGISLATION

Legislation with regard to vehicles varies greatly in different countries. Mandatory insurance for vehicles could be in place in one country for decades and not be common practice yet in another. Moreover, as shown by the detailed answers to the questionnaire, a mandatory technical check of an imported vehicle before registration in a national database is not always standard practice.

The received answers to the question “Can you identify gaps in your national legislation and/or in the administrative workflow related to vehicle registration, which are exploited by criminals?” are as follows. Six member countries gave no reply (12.2%). 23 member countries replied “No” (47%) and 20 member countries replied “Yes” (40.8%) to the question.

Of the 20 member countries which replied “yes”, half explained that the gaps were identified in the administrative workflow. In other words, 10 (20%) of the total of 49 member countries that replied, identified gaps in their legislation. The ten detailed replies are as follows:

- (Theft of) vehicle and auto parts are not classified as specific offence;
- Inadequate procedural and penal policy;
- Vehicle can be taken out of the customs zone without registration;
- Commercial vehicles (vans and heavy machinery) are not subject to inspection;
- No obligation for technical check before registration;
- No embossed system in vehicle registration;
- Vehicle identification certificates do not exist;
- Lack of policy on shipment clearance in ports;
- Vehicle theft has two qualifications in the Penal Code (theft or joyriding);
- Possibility to simultaneously register vehicle identification number in multiple (federal) states.

In addition to international differences in legislation, a change in legislation can either present new opportunities for criminal activity or throw up barriers with regard to Motor Vehicle Crime. Some examples:

In 2011, the Bolivian government started an amnesty process to legalize undocumented vehicles. Subsequently, the Bolivian Customs Office received over 120.000 requests from the public. An unknown number of stolen vehicles which originated in Bolivia's neighboring countries were discovered during the process.⁹

Sudan, a country already under a United States trade embargo, recently restricted its imports of spare parts for basic machinery and second hand vehicles. The result is not only a 30% price increase on present stock but the situation allows opportunity for black market participants and (illicit) copies.¹⁰

A number of years ago, a Ukrainian law was passed which permits confiscated vehicles to become government property. The state may decide to sell or use the vehicles. Thus, a vehicle stolen in Germany, and discovered as stolen at the Ukrainian border may be released by court order to be used as government property.¹¹ Mexico has similar legislation in place.¹²

CAR MANUFACTURERS

Car manufacturers naturally need to adhere to rules and regulations with regard to safety but also with regard to fighting Motor Vehicle Crime. Mandatory marking with a vehicle identification number during the production of, for example, an engine, a transmission and parts of the chassis is common.

Many other tools against vehicle theft are technically available, such as car alarms, tracking and disabling devices or the use of microscopic identifiers (so-called "data dots") which are sprayed on cars and car parts. The basic economic principle of cost/benefit of applying one or more of these methods during the manufacturing process, dictates whether car manufacturers use them.

INSURANCE COMPANIES

Insurance companies play a large role in the complex situation with regard to stolen motor vehicles, but only in those countries where vehicles can be insured against theft. Globally, not all countries have legislation in place where a vehicle, used in public, needs to be insured either to protect the owner of the vehicle or the party experiencing damage by the use of the vehicle.

The questionnaire did not focus specifically on the role of insurance companies with regard to motor vehicle crime. However, two Member Countries (8% of total replies) mentioned insurance companies in their reply when it came to the question if organized crime groups exploit any specific legitimate business structures to facilitate their activities (e.g. registration authorities, leasing companies, official garages etc.).

No comprehensive analysis is available with regard to the financial loss for insurance companies with regard to stolen motor vehicles. A sustainable co-operation between Law Enforcement Agencies and

⁹ <http://en.mercopress.com/2012/02/03/bolivian-government-promises-neighbouring-countries-to-return-thousands-of-stolen-cars>, accessed 25 September 2013

¹⁰ <http://www.reuters.com/article/2012/03/14/sudan-economy-idUSL5E8EB2TE20120314>, accessed 25 September 2013

¹¹ <http://www.spiegel.de/international/europe/state-sanctioned-theft-a-paradise-for-car-thieves-in-ukraine-a-803728.html>, accessed 26 September 2013

¹² Petrossian and Clarke, Export of Stolen Vehicles Across Land Borders, U.S. Dept. of Justice, p. 16, 2012

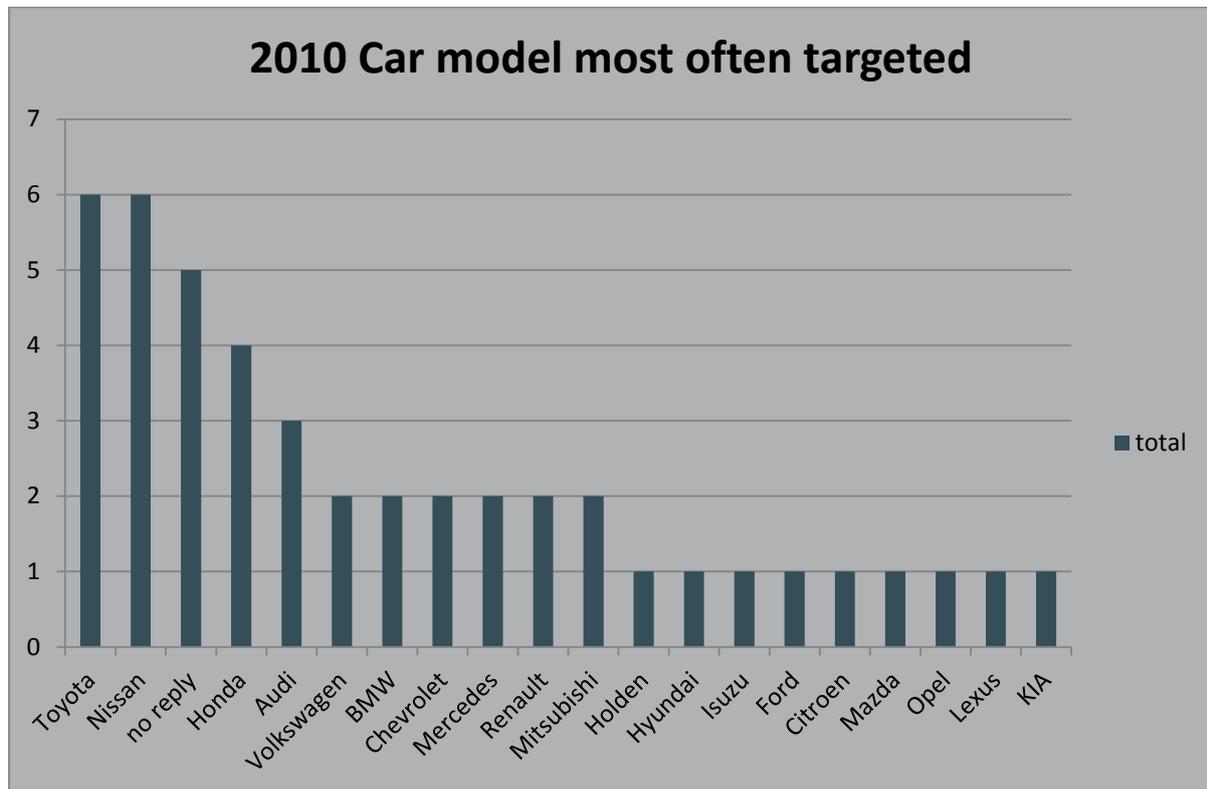
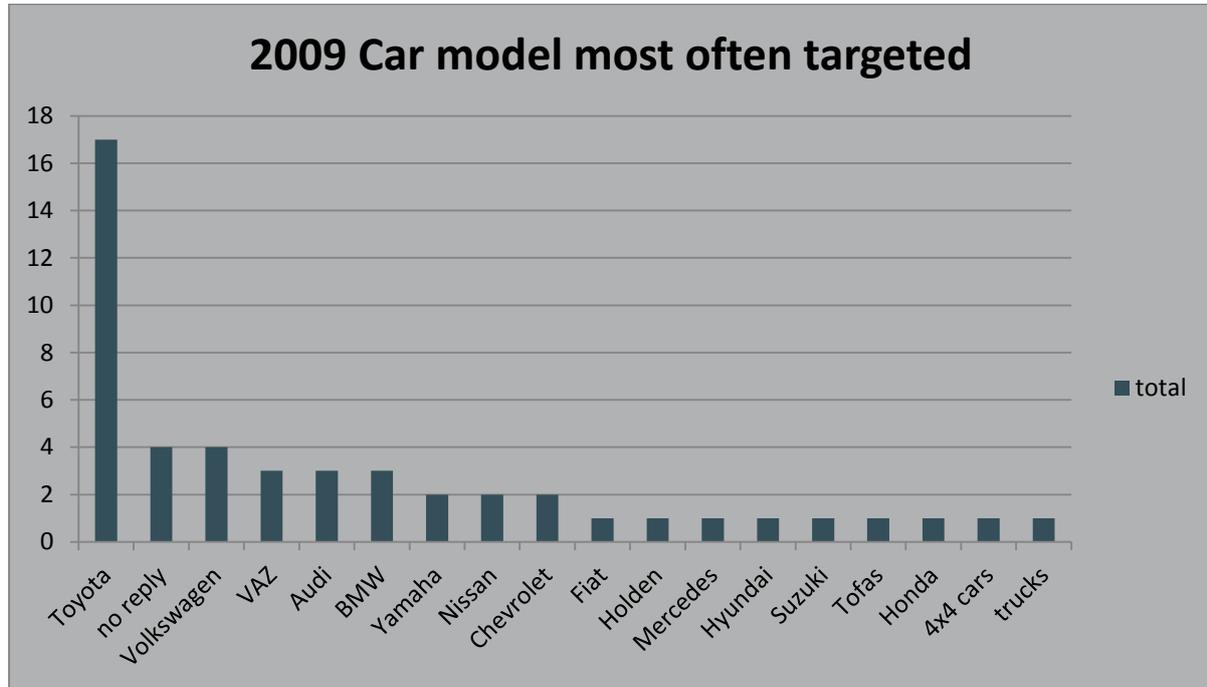
insurance companies could benefit in the fight against Motor Vehicle Crime. One such joint initiative is the National Motor Vehicle Theft Reduction Council, a co-operation between all Australian governments and the insurance industry¹³ which supplies comprehensive statistics. Developing more of these co-operations is recommended.

¹³<http://www.carsafe.com.au/about-us>, accessed 26 September 2013

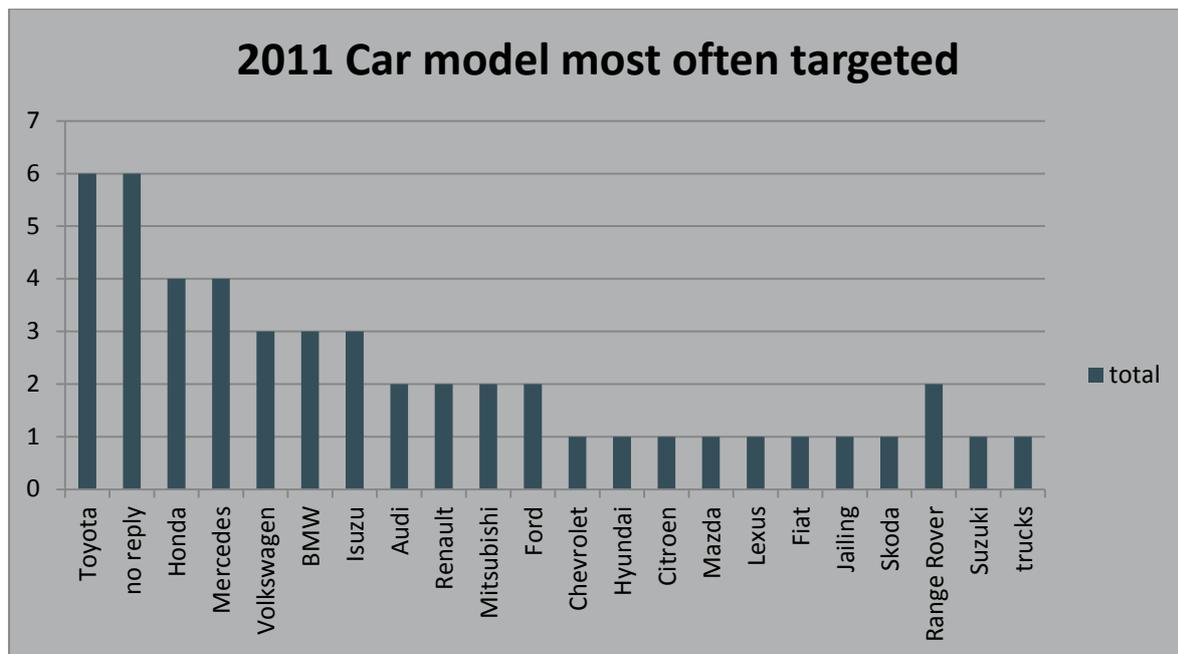
3 VEHICLES TARGETED

Vehicles principally targeted by transnational organized crime groups are car makes and models that have a wide distribution range in the legitimate trade (both as vehicles and as spare parts) and therefore have a relative larger number of consumers.¹⁴ Large car manufacturers (e.g. Toyota) are a good example of this wide legal distribution system for both cars and spare parts. The replies to the survey underline this economic principle of supply and demand.

The following graphs illustrates the division of the 49 replies to the question “What are the top 10 car makes stolen for the years 2009, 2010 and 2011?”.



¹⁴ McDonold, Christopher T. *The Changing Face of Vehicle Theft*, The Police Chief 78, July 2011



The answers to question 2.3.12 in the questionnaire “What is the main final purpose/scope/use of the vehicles stolen in your country (e.g. sold as second hand cars on the national market, smuggled abroad, dismantled etc)?” are as follows.

42 Member countries replied that most stolen vehicles were either sold in whole or in parts. Three member countries gave no reply. Four member countries indicated that the stolen vehicles were used in other crimes, for example to exchange for drugs.

No specific figures on the composition of stolen vehicles are available. However, an indication of the ratio of the final purpose of stolen vehicles was supplied by two replies to the questionnaire. One country remarked that 70% of stolen vehicles are sold as second hand or disassembled for spare parts, and 30% is illegally exported. Another country replied that 60% is sold as second hand, 15% dismantled for spare parts, 15% is used for other crimes and 10% is exported to neighboring countries.¹⁵

More and accurate information is necessary to perform an in-depth analysis on which vehicles are targeted by transnational organized crime groups. The available information indicates that the total of targeted vehicles can be divided into two categories. One category of vehicles which consists of readily available car makes and models (quantity), such as Toyota in the above three graphs. The second category of vehicles consisting of vehicles that are extra lucrative or especially targeted (quality). Sport utility vehicles destined for Africa where the terrain warrants the use of such a vehicle, expensive luxury cars, trucks, busses, construction and agricultural vehicles or other specialized vehicles also fall into this category.

In November 2004, during the Iraqi war, coalition troops discovered an SUV registered in Texas, U.S.A., during a raid on a bomb-making factory in Fallujah. The vehicle was being prepared for a bombing mission. Tracking the vehicle identification number (VIN), it was found to be reported as stolen. Although no evidence was found that the vehicle was specifically stolen for terrorist activities, terrorism specialists were found to think that the Iraqi insurgents preferred the American car models as they “...tend to be larger, blend in more easily with the convoys of the US government and private contractors, and are harder to identify as stolen”¹⁶

¹⁵ Respective replies to the 2012 EUROPOL-INTERPOL questionnaire on Motor Vehicle Crime

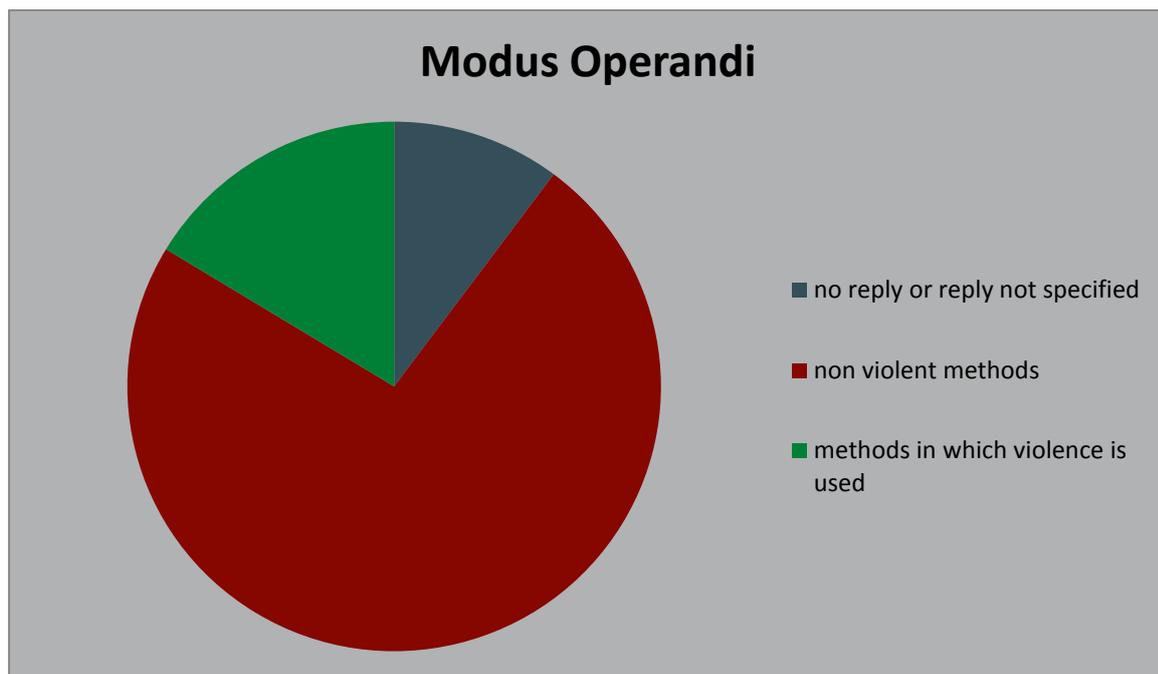
¹⁶ The Boston Globe, US car theft rings probed for ties to Iraq bombings, Bryan Bender, 2 October 2005

4 MODUS OPERANDI

4.1 Introduction

The wide range of replies to question 2.3.10 “What are the most common modus operandi identified concerning vehicle theft (e.g. theft of the key, enable the immobilizer, fraud, home-jacking etc.)” varies between: distraction techniques, fraud, use of similar key, home-jacking, hot wiring, theft of key, theft of complete vehicle using tow trucks, enabling immobilizer or alarm systems, car-jacking (sometimes in combination with kidnap), armed robbery and the use of a psychotropic substance.

Five member countries gave no reply, or a reply which was not specified (for example “all methods”). 36 Member countries replied with one non-violent method, or a combination of non-violent methods and 8 countries replied that violence was used.



Of the 8 Member Countries who mentioned “violence” and the use of “psychotropic substance” in their answer to the question, 6 are located in South America.

The replies to question 2.3.14 “Is violence used, and, if so, how and against whom?” are as follows.

Two member countries (4%) gave no reply. 18 Member countries (37%) replied that no violence was used and 29 member countries (59%) replied that violence is used, with a wide range of violence levels.

The aspect of violence with regard to motor vehicle crime could be interesting for further studies.

4.2 Borders

Stolen vehicles are concealed immediately (by re-birthing, different license plates or disassembly) and moved away from the location of theft as soon as possible. By moving the stolen vehicle (complete or in parts) as soon as possible across a regional, federal or international border, jurisdiction, administrative and law enforcement, it becomes more difficult to track. By immediately driving a car, stolen in Germany, across the open Schengen-borders to Belgium, Luxembourg and France, for example, the car becomes almost invisible to law enforcement, even despite the Schengen Information System which gives Schengen member countries the possibility to tag a vehicle which is reported as stolen in their jurisdiction.

Furthermore, when analyzing information on borders and border management with regard to transnational organized crime, it is imperative to include both the availability of vehicles and the geographical location. The length of borderline, the presence of ports, the terrain and infrastructure, are all factors to consider.

In 2012, within the United States of America, the states of California and Washington (bordering respectively Mexico and Canada) were the two states where the 10 cities are located with the most stolen vehicles¹⁷

In Germany in 2012, the same image has been noted over the last years: most vehicles were stolen in the area of the cities of Berlin (near the border with Poland) and Hamburg (with its large port). Interesting and complementing detail is that the same image is given for theft of goods out of a vehicle.¹⁸

The following replies were received to question 2.4.2 “Is there a higher rate of vehicle theft close to the borders?”.

Five member countries gave no reply. Ten member countries noticed a higher rate of vehicle theft close to their borders and 34 member countries did not notice a higher rate of vehicle theft close to their borders.

The majority of replies (63.3%) indicate that no higher rate of vehicle theft was noticed close to their borders. This seemingly contradicts the concept that stolen vehicles need to be moved away from the location of theft as soon as possible, preferably by crossing a border, in order to avoid discovery. However, the replies should also be seen against geographical location and availability of targeted vehicles. The next paragraph, on routes, sheds more light on the issue.

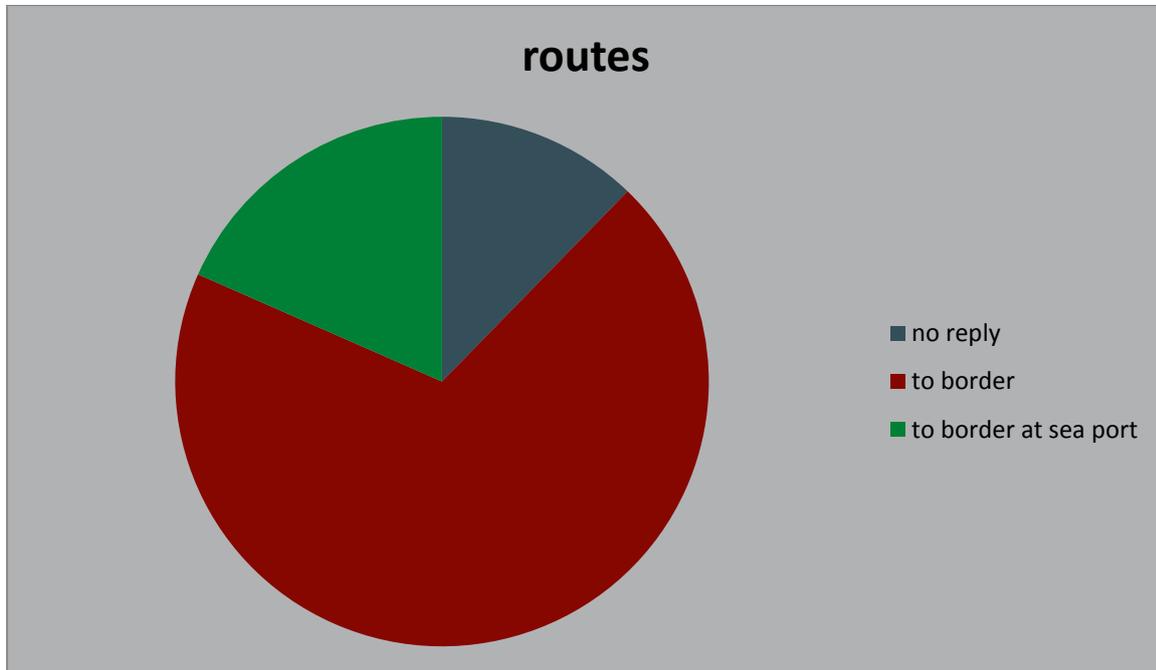
¹⁷ https://www.nicb.org/theft_and_fraud_awareness/top-places-for-vehicle-thefts (National Insurance Crime Bureau), accessed 30 September 2013

¹⁸ Bundeskriminalamt, KFZ-Kriminalität, Bundeslagebild 2012, p. 5

4.2.1 Routes

The replies received to question 2.3.7 “What are the transfer routes of stolen cars?” are as follows.

Six member countries gave no reply (= 12.2%). Nine member countries replied that stolen vehicles, as a whole or in parts, were taken to be transported by sea (= 18.4%). 34 Member Countries replied that stolen vehicles were driven to a border point (= 69.4%).



Again, geographical location needs to be taken into account when analyzing these replies.

If we assume sea ports to be a border location then a total of 87.7% (=43 replies) of member countries conclude that stolen vehicles as a whole or in parts are taken to their bordering countries.

Generally speaking, the existence of free trade zones or free ports with special customs regulations are of interest with regard to routes. Japan, with three free ports, and Dubai in the United Arab Emirates, are often mentioned as being located on the routes of stolen motor vehicles. This is no surprise as large amounts of goods are shipped through these locations. Many vehicles, legally imported or exported, are processed in these locations by special handling companies. Sometimes national authorities outsource the import or export process to these special handling companies. An example is the Japan Export Vehicle Inspection Center Co. Ltd (JEVIC) which carries out inspections in Japan, Singapore, Dubai and the United Kingdom on vehicles exported to Zambia through South Africa.¹⁹

Another subject of interest with regard to this report or further studies into transnational motor vehicle crime is the existence of special legislation with regard to motor vehicles between bordering countries. Between Nepal and India, for example, legislation on border traffic exists which permits travel to the other country for one day and to the nearest border town. However, “thousands of cars and motorcycles are stolen yearly in India and smuggled in Nepal” using this special legislation dating back to 1960.²⁰

¹⁹ Zambia Bureau of Standards, notice to exporters and importers of used motor vehicles, 25 July 2011

²⁰ Annex I – The impact of organized crime on governance: a case study of Nepal, New York University, Center on International Cooperation, Dr. Vanda Felbab-Brown, June 2013, p.76

Neither questionnaire nor time permitted a comprehensive summary of present bottle-necks, hubs and routes with regard to Motor Vehicle Crime. Generally, routes along which illicit goods are transported shift and change as routes are disrupted, organized crime groups are disturbed, new governing powers arise and armed conflicts erupt. Some trafficking routes are well-known, yet there seems to be no in-depth analysis of the flux of routes.

4.2.2 Border management

Having established that borders are important in transnational motor vehicle crime movements, border management takes a prominent role and is vital in disrupting the illicit flow of stolen motor vehicles and vehicle parts.

Identification of globally known hubs and routes should be a first step in supporting border management. A preliminary search in reports on transnational organized crime points out some of these hubs and routes.

Dubai in the United Arab Emirates (UAE) is seen by law enforcement agencies as a receiving port for the dispersal of stolen cars and parts throughout the Middle East.²¹ Cars stolen in Japan, for example, have been found to be disassembled and moved to Dubai, UAE where they are reassembled and re-exported. Since 2000, routes from Japan to Russia and mainland China have shifted to UAE and African countries²²

The German Bundeskriminalamt also identifies routes towards eastern Europe and Central Asia through Poland and Lithuania (bordering on Russia). Two more routes leading to Middle Eastern countries were identified: one leading through Spain to Northern Africa and further east, and one leading through Turkey further south east. Another identified route leads from Germany to The Netherlands in the west, and through Rotterdam sea port to African countries.²³

A good cooperation through shared information and a shared approach between national law enforcement agencies and border management, in combination with registration authorities, could significantly increase the discovery and disruption of the flow of stolen motor vehicles or vehicle parts.

²¹ <http://www.theage.com.au/news/national/police-struggle-to-put-brake-on-stolen-car-traffic/2007/10/27/1192941402618.html>, 2007, accessed 30 September 2013

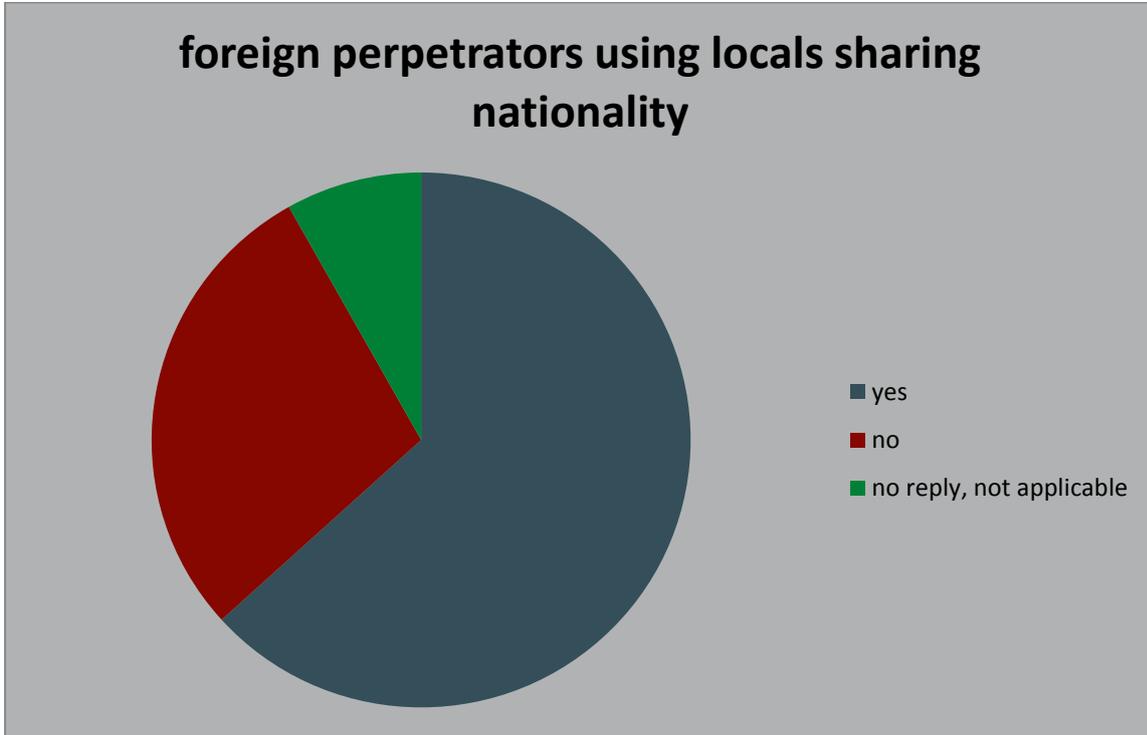
²² <http://in-japan.gaijinpot.com/live/legal-issues/2010/08/31/car-theft-in-japan-the-trail-from-nagoya-to-nairobi/>, accessed 1 October 2013

²³ Bundeskriminalamt, KFZ-Kriminalität, Bundeslagebild 2012, p. 8 and 9

4.2.3 Shared language and ethnicity

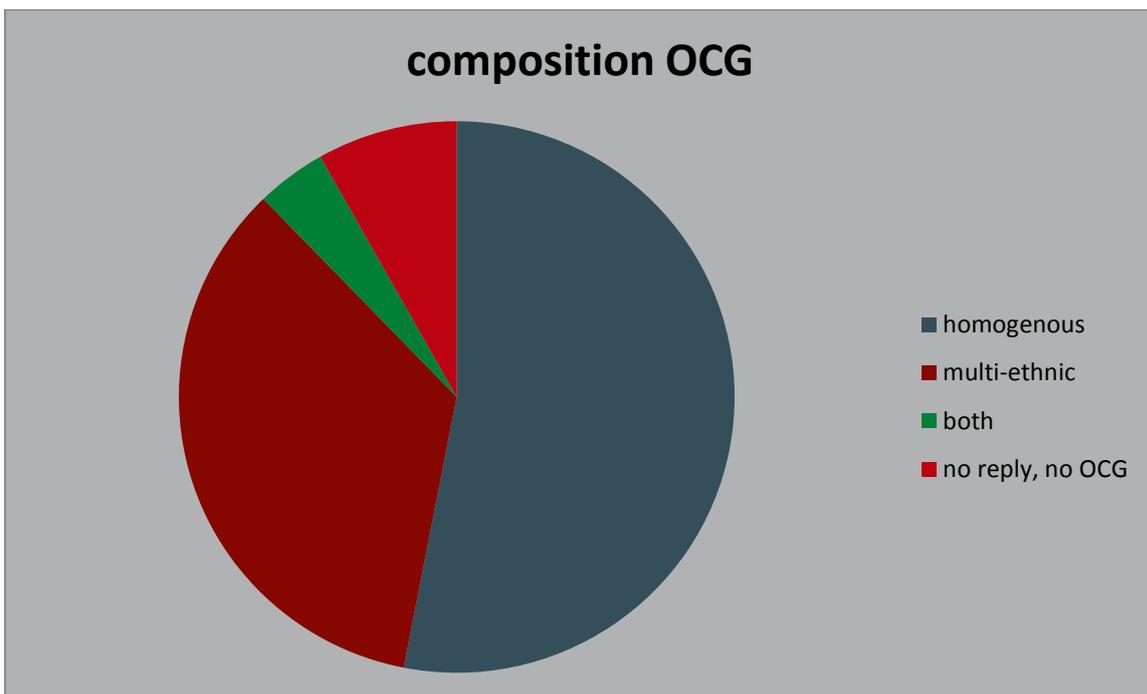
The replies to question 2.1.6 “Do foreign perpetrators make use of / are they supported by locals / residents having the same nationality?” are as follows. 31 Member countries (63.3%) replied “yes”.

14 Member Countries (28.5%) replied “no”. Four member countries (8.2%) replied that the question was “not applicable”, gave no reply to the question or replied “unknown”.



The answers to question 2.1.7 “What is the composition of the OCGs?” reasonably confirm this.

26 Member Countries (53.1%) replied “homogenous”; 17 Member Countries (34.7%) replied “multi-ethnic”; 4 Member Countries (8.1%) replied “not applicable” or gave no reply; and 2 Member Countries (4.1%) replied “both homogenous and multi-ethnic”. These results lead to the assumption that a shared language or ethnicity is a significant factor in transnational Motor Vehicle Crime.



However, it would be imprudent to exclude the possibility of membership in an organized crime group with a different ethnicity or co-operation between different ethnic organized crime groups. In fact, some indications to the contrary have already been found.

Věra Stojarová in her paper *Organized Crime in the Western Balkans*, for example, describes the Balkan relations as “Criminal gangs coming from mutually hostile ethnic populations cooperate without regard to officially declared animosity and ethnic origin.”²⁴

Within Europe the existence of strong levels of cooperation between different organized crime groups has been recognized. This cooperation transcends national, ethnic and business differences.²⁵

Moreover, in an ever smaller world, in which communication and transportation is facilitated by new technologies, traditional covenants may change with economic needs and opportunities.

In addition, over the past decades, a huge diaspora of refugees, asylum seekers, displaced persons and legal immigrants have been strewn around the globe. It is human nature to keep strong ties among their respective ethnic communities. This migration of people is accompanied by new connections in a different geographical location which, again, create new opportunities.

This gives rise to the concept that understanding organized crime groups operating transnationally, also includes understanding the ethnic, historical, political and socio-economic situation, requiring the subject to be studied more and in-depth.

²⁴ HUMSEC Journal, Issue 1, *Organized Crime in the Western Balkans* (part of the Research Project ‘Political Parties and Representation of Interests in Contemporary European Democracies’, Věra Stojarová, 2007, p. 112

²⁵ Europol, *EU Organised Crime Threat Assessment 2011*, p. 8

4.3 Facilitation

Three questions in the questionnaire concerned the facilitation of transnational motor vehicle crime through personal relationships or business structures.

The answers to question 2.1.6 “Do foreign perpetrators make use of / are they supported by locals / residents having the same nationality?” were as follows.

31 Member countries (63.3%) replied that foreign perpetrators are connected to locals. In their replies they reported 20 different ways in which support was given by locals, ranging from facilitating aspects such as accommodation, translation and providing postal addresses to taking part in the crime process by serving as buyer, transporter, scout or in the re-birthing process of the stolen vehicle. 14 Member countries (28.7%) reported that they had not detected such a connection. Four member countries did not reply to the question.

Another aspect of facilitation was subject of question 2.1.10 “Do foreign perpetrators establish a permanent operating base in your country or are they based in another country?”.

31 Member countries (63.3%) reported they had not detected such a feature. Six member countries gave no reply. 13 Member countries (26.5%) had detected permanent operating bases in their countries. Subsequent detailed information varied from “through family, social or community relationships” to “hiring premises” and “second hand dealerships”.

The answers to question 2.1.9 “Do the OCGs exploit any specific legitimate business structures to facilitate their activities (e.g. registration authorities, leasing companies, official garages etc)?” were as follows.

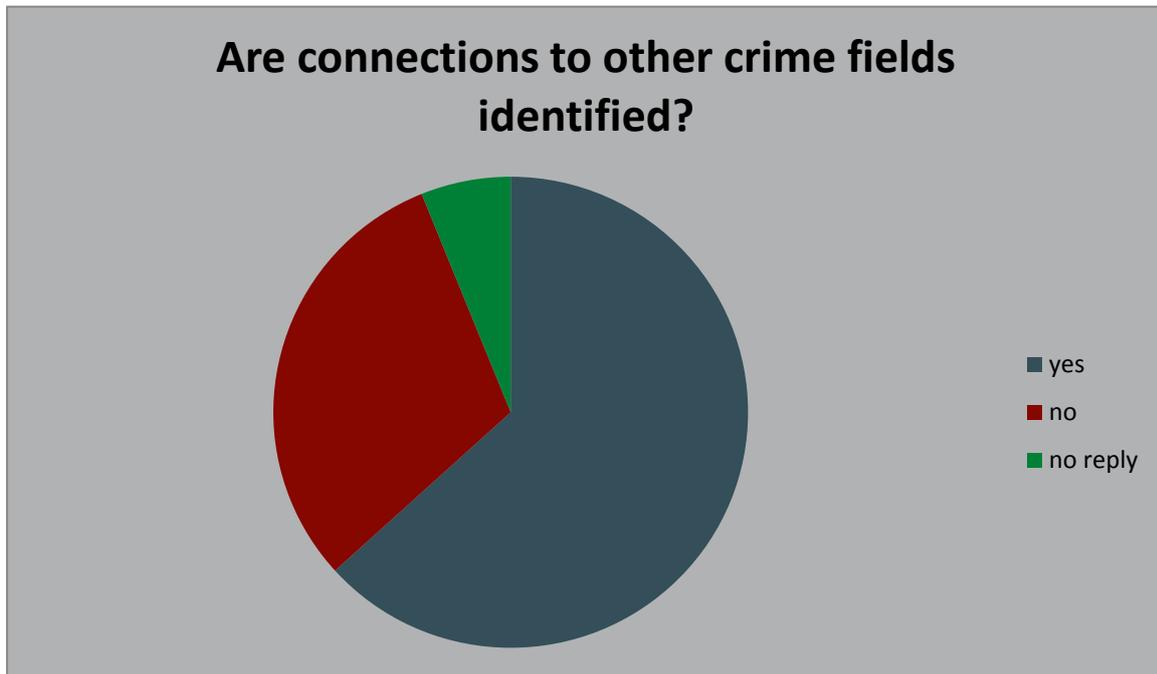
27 Member countries (55.1%) reported no detection of such facilitation. 22 Member countries (44.9%) reported on a range of legitimate businesses involved in facilitation. Replies varied from scrap metal yards, repair shops and car sales companies to rental companies and leasing firms, but also import/export agencies, insurance companies and check cashing stores.

If not a clear picture, the replies to these three questions do give an indication that organized crime groups involved in transnational motor vehicle crime are facilitated in different ways. The manner and extent of facilitation may provide suggestions on disruption strategies. A further in-depth analysis could serve as a base.

5 LINKS TO OTHER CRIMES AREAS

The answers to question 2.1.4 “Are connections to other crime fields identified?” are as follows:

31 Member Countries (63.3%) replied “yes”; 15 (30.6%) replied “no” and three (6.1%) gave no reply.



The questionnaire did not supply follow-up questions to enable a specification of crime fields preventing a break-down into the type of connections. Most member countries, however, listed various crime fields which have been detected.

The following paragraphs are, by no means, meant as complete study of the connections between Motor Vehicle Crime and other crime fields. They have been included in order to summarize the replies to the questionnaire with regard to the subject.

Each of the links between stolen motor vehicles and another crime area may be subjected to further studies.

5.1 Terrorism and stolen vehicles

Three member countries (6.1%) specified in their replies to the above mentioned question “Are connections to other crime fields identified?” that they detected a connection between Motor Vehicle Crime and terrorism. Unfortunately, the questionnaire contained no subsequent queries to enable member countries to supply details.

One connection between motor vehicle crime and terrorism may be established through the traditional car bomb.

A car bomb is a weapon of stealth with great power. It is cheap and operationally simple to organize. It is highly anonymous and leaves minimal forensic evidence. Moreover, the vehicle used in a car bomb is usually stolen. Documented cases of car bombs in which stolen vehicles were used can be found from the end of World War II until the present, and geographically ranging globally. In past years investigation into the vehicle identification number often led to intelligence about the perpetrator or terrorist network involved.

A 2005 American newspaper article describes the broad investigation of United States-based theft rings, after discovering that some of the vehicles used in deadly car bombings in Iraq, were stolen in the United States. No evidence was found that the vehicles were stolen specifically for the car bombings. However, evidence was uncovered that the cars were smuggled from the United States as part of a widespread criminal network that includes terrorists and insurgents.²⁶

There are other established links between stolen vehicles and terrorism though.

During the morning rush hour, on 11 March 2004, 10 explosions occurred on 4 commuter trains in Madrid, Spain. The Spanish National Police established that a total of 13 improvised explosive devices had been placed on the trains. 191 people of 17 different nationalities were killed, approximately 2000 were wounded. In the ensuing police investigation it was established that the perpetrators in preparation of the attack had made use of three stolen vehicles.²⁷

Another aspect of the link between motor vehicle crime and terrorism is the funding of terrorist activities through motor vehicle crime.

A more detailed and specific research, using the aspect of identification of the vehicles involved, will give more insight into these links between terrorism and motor vehicle crime.

²⁶

http://www.boston.com/news/world/articles/2005/10/02/us_car_theft_rings_probed_for_ties_to_iraq_bombings/, accessed 29 October 2013

²⁷ Information supplied by the Spanish National Police, dated 7 November 2013

5.2 Theft/robbery and stolen vehicles

19 member countries (38.7%) specified in their replies to the above mentioned question “Are connections to other crime fields identified?” that they detected a connection between Motor Vehicle Crime and theft or robbery.

Traditionally, a stolen vehicle is used as “get-away” car after a (bank)robbery. As extra precaution, these stolen vehicles may carry license plates which are stolen off yet another vehicle shortly before using the get-away car.

The practice of ram-raiding is a variation in which a vehicle is driven through the walls or windows of a building in order to gain access. Obviously, the vehicles used in this particular crime are stolen. Sometimes heavy equipment motor vehicles such as tractors or bulldozers are used, but often a family type car is found at the crime scene.

5.3 Trafficking in human beings and stolen vehicles

Two member states (4%) specifically mentioned trafficking in human beings in their answer to question 2.1.4 “Are connections to other crime fields identified?”.

The fact that more cooperation between organized crime groups has been observed in combination with their transnational aspect and polycriminality²⁸ is extended to the connection between trafficking in human beings and stolen vehicles. The Financial Action Task Force (FATF) in its 2011 report on Money Laundering Risks Arising From Trafficking in Human Beings and Smuggling of Migrants found links between the crime area of trafficking in human beings and smuggling of migrants and other forms of organized crime, stolen vehicles included.²⁹

Exchanging victims of trafficking in human beings for stolen vehicles; using stolen vehicles to transport victims and forcing victims to steal or transport vehicles are but a few examples of the reality of this connection.³⁰

²⁸ EU Organised Crime Threat Assessment 2011, p. 8, p. 11 and p. 48

²⁹ FATF, France, 2011, p.7 and p. 77

³⁰ Eurojust annual report, p. 40, 2007

5.4 Trafficking of illicit goods and stolen vehicles

Of the 31 Member Countries which replied “yes” to question 2.1.4 “Are connections to other crime fields identified?”, 14 (28.6%) specified their answer with drugs or drugs trafficking.

Sometimes stolen vehicles are sold in order to pay for drugs directly, to finance drug trafficking operations or to distribute drugs.³¹

Bolivia, Argentina, Chile and Brazil initiated combined activities to combat the widespread “coke-for-cars” phenomenon in their countries.³²

Of the 31 Member Countries which replied “yes” to question 2.1.4 “Are connections to other crime fields identified?”, 7 (14.3%) specified their answer with “armed robbery” (3x), “firearms” (2x) or “arms trafficking” (2x).

5.5 Corruption and intimidation

The questionnaire did not hold a specific question on corruption.

Three member states, however, did refer to corruption in their reply to question 2.4.7 “Can you identify gaps in your national legislation and/or in the administrative workflow related to vehicle registration, which are exploited by criminals?” The three replies ranged from “corruption” to “lack of integrity among public servants” to “unscrupulous public officials”.

One member state referred to corruption in their reply to question 2.1.9 “Do the OCGs exploit any specific legitimate business structures to facilitate their activities (e.g. registration authorities, leasing companies, official garages etc)?” by mentioning “accomplices in public office” in their answer.

Corruption by, and intimidation of government officials at border crossings, along transportation routes, and during the registration or import/export process, plays an essential role in the complete picture of stolen motor vehicles and transnational organized crime groups.

Recognizing corruption, and actually naming corruption in a questionnaire, is an extraordinary phenomenon. Corruption can only be eradicated by shedding light on it.

³¹ EU Organised Crime Threat Assessment 2011, p. 10

³² <http://www.csmonitor.com/World/Americas/Latin-America-Monitor/2012/1023/Bolivia-plans-crackdown-on-cars-for-cocaine-trade>, accessed 3 October 2013

6 EFFECT ON TRAFFIC SAFETY

Transnational Motor Vehicle Crime is a criminal activity which requires a high level of organization, affecting practically all regions in the world.

During the analysis process for this report, another aspect of transnational Motor Vehicle Crime emerged: traffic safety. As this aspect goes beyond the scope of this report, it has not been properly investigated nor confirmed. However, the possible negative influence on traffic safety is a side effect of transnational motor vehicle crime.

On the economic principle of demand and supply, stolen motor vehicles are being smuggled into regions where there is a demand for either the whole vehicle or the spare parts. These regions are for the most part situated in developing countries with poor infrastructure, rule of law and traffic safety. During the process, the vehicle may or may not be technically examined on entry into the destination country. In any case, the real technical status of the vehicle will not be known to neither future owner nor the authorities. This can result in great risks of (traffic) accidents.

7 RECOMMENDATIONS

AWARENESS and STATISTICS

Acknowledging the facts that there is no standard model to measure organized crime and that Motor Vehicle Crime by organized crime groups is not an isolated crime activity, leads to the recommendation to raise awareness among Law Enforcement Agencies around the world.

The next step would be to record the information on stolen vehicles into a national database using an internationally accepted standard in order to initialize statistics with regard to (transnational) organized crime. In this way, a first step will be made in developing trustworthy statistics.

Special units dealing with Motor Vehicle Crime should be established. With so many of these units already in place, a basis already exists for enhanced recording and handling of information to produce reliable statistics in the future.

A powerful tool in producing reliable statistics is already in place and can be used even by those countries which do not have special Motor Vehicle Crime units. INTERPOL's Automated Search Facility (ASF) for Stolen Motor Vehicles, at present, is the only globally connecting database. ASF records provide extensive identification details on approximately 7.2 million vehicles reported stolen around the world (2012). In that same year, more than 92,000 stolen motor vehicles were identified using the database. (These numbers include the European Member Countries.)

The total statistical ASF overview for the years covering this report are:

		2009	2010	2011
ASF SMV	Number of records	6,222,371	7,156,792	7,097,877
	Total Number of Searches	9,547,154	26,011,872	40,882,202
	Total Number of Hits	26,434	34,199	42,164
	Participating countries	126	129	127

It is therefore recommended that the use of INTERPOL's Automated Search Facility for stolen motor vehicles is promoted in order to enhance globally produced statistics.

COOPERATION BETWEEN STAKEHOLDERS

Insurance companies, as stakeholders, could play a major role in supplying additional reliable statistics, especially on economic damage and targeted vehicles. Joint initiatives such as the National Motor Vehicle Theft Reduction Council, a co-operation between all Australian governments and the insurance industry³³ could be instrumental in this. Such sustainable co-operation between Law Enforcement Agencies and insurance companies could benefit in the fight against Motor Vehicle Crime.

Moreover, other joint initiatives to enhance co-operation between stakeholders (rental companies, customs offices, car dealerships, registration offices) would certainly have similar effects.

It is therefore recommended that sustainable co-operation constructions are developed between stakeholders in motor vehicle crime.

³³<http://www.carsafe.com.au/about-us>, accessed 26 September 2013

ENHANCED COOPERATION BETWEEN LAW ENFORCEMENT AGENCIES

As borders are so important in transnational organized crime movements, border management takes a prominent role. Even more so than national law enforcement agencies, border management is vital in disrupting the illicit flow of stolen motor vehicles and vehicle parts.

It is recommended that information sharing and co-operation between different border management agencies (customs, immigration) but also national agencies (traffic police, registration authorities) is enhanced.

IN-DEPTH ANALYSIS

The development of a global in-depth analysis of known routes and ports with regard to stolen motor vehicles is recommended.