

ORGANISED CRIME PORTFOLIO

Workshop Milan, 25th of September 2013

4. Country overview: Italy

Transcrime - Università Cattolica del Sacro Cuore di Milano

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- **Availability of information / Status of collection**
- **Section 1: Analysis of OCGs involvement in illegal markets in Italy**
- **Section 2: Data on confiscated assets**
- **Section 3: Cases of OCGs investments**

TYPE OF INFORMATION/DATA SOURCE	STATUS
Statistics on confiscated assets (ANBSC)	COLLECTED
Statistics on seized assets	PENDING
LEA/FIU/ARO reports: <ul style="list-style-type: none"> - Reports DIA 2000-2012 - Reports DNA 2000-2012 - Reports UIF 2010-2012 - Other reports 	COLLECTED
Relevant case studies (police cases, judiciary evidence, open sources)	ON-GOING
Academic literature	COLLECTED

Section 1:

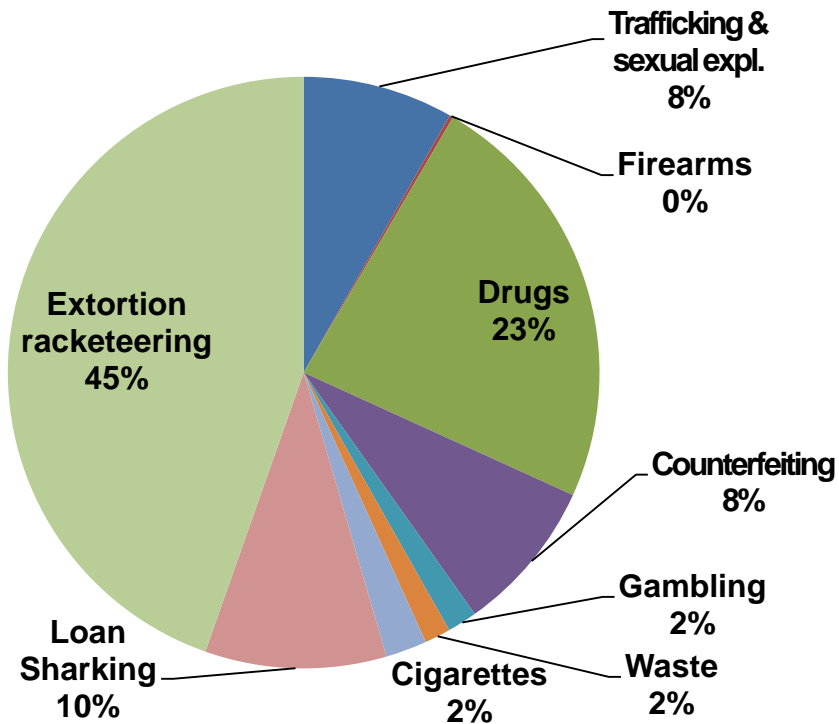
Analysis of OCGs involvement in illegal markets in Italy

So far focus on the following markets:

- 1. Drugs trafficking** (cocaine, heroin, cannabis, other illicit drugs)
- 2. Human trafficking for sexual exploitation**
- 3. Weapons trafficking**
- 4. Illicit trafficking of tobacco products**
- 5. Counterfeiting**
- 6. Illegal gambling**
- 7. Extortion racketeering**
- 8. Usury**
- 9. Frauds**
- 10. Other illicit activities and markets (e.g. Organised theft)**

MARKETS	SOURCES	NOTES	TOTAL MARKET ESTIMATE (mln €)	ITALIAN OCGs SHARE (mln €)	FOREIGN OCGs SHARE (mln €)
Drugs trafficking	Transcrime (2013), Gli investimenti delle mafie		7,726.7	2,495.5	
Human trafficking	Transcrime (2013), Gli investimenti delle mafie	For sexual exploitation	4,659.6	878.5	
	OECD (2010), Analysing the business model of trafficking in human beings to better prevent the crime	Case studies (Bulgarian)			10
Weapons trafficking	Transcrime (2013), Gli investimenti delle mafie		97.8	21.3	
Illicit trafficking of tobacco products	Transcrime (2013), Gli investimenti delle mafie		751.6	240.95	
	Euromonitor International (2012), Passport		783.48		
	KPMG (2013), Project STAR 2012 Results		1,139.06		
	Nomisma (2011), La contraffazione delle sigarette in Italia primo rapporto nomisma		457.19		
Counterfeiting	Transcrime (2013), Gli investimenti delle mafie		4,541.3	895.7	
Illegal gambling	Transcrime (2013), Gli investimenti delle mafie		424.6	173.55	
Extortion racketeering	Transcrime (2013), Gli investimenti delle mafie		4,763.4	4,763.4	
Usury	Transcrime (2013), Gli investimenti delle mafie		2,242.6	1,057.95	
Fraud	EU Parliament - PWC (2011), How does organised crime misuse EU funds?	Case study	30		

Italian OCGs revenues from illegal activities in Italy, share of total (Transcrime, 2013)



Illegal markets	Turnover Italian OCGs (million €)
Sexual exploitation	878.5
Firearms	21.3
Drugs	2,495.5
Counterfeiting	895.7
Gambling	173.55
Waste	151.3
Cigarettes	240.95
Loan Sharking	1,057.95
Extortion racketeering	4,763.4
Total	10,678.2

- Midpt. estimate 10.6 bn euros
- Main sources: extortion/drugs

MARKETS	SOURCES	NOTES	ITALIAN OCGs
Drugs trafficking	DNA (2011), Relazione Annuale	Cocaine, heroin, cannabis	'Ndrangheta, Cosa Nostra, Camorra, Apulian OCG
	Paoli, L. (2004), The Illegal Drugs Market Paoli, L. (2000), Illegal Drug Markets in Frankfurt and Milan		'Ndrangheta, Cosa Nostra
Human trafficking	DNA (2012), Relazione annuale		Italian OCGs
	Europol (2013), Italian organised crime threat assessment		Apulian OC
	Transcrime (2013), Gli investimenti delle mafie		Cosa Nostra, Camorra, 'Ndrangheta, Apulian OC
Weapons trafficking	Curtis, G. E. and Karacan, T. (2002), The nexus among terrorists, narcotics traffickers, weapons proliferators and organized crime networks in Western Europe		Camorra
	Federation of American Scientist (2000), International crime threat assessment		Apulian OC
	Massari, M. (2013), Guns in the family. Mafia violence in Italy		'Ndrangheta, Apulian OC
	Parente, M. (2010), L'Arma dei Carabinieri e le attività di prevenzione e repressione delle organizzazioni criminali		'Ndrangheta
	Sagramoso, D. (2001), The proliferation of illegal small arms and light weapons in and around the European Union		Cosa Nostra, Camorra, 'Ndrangheta, Apulian OC
Illicit trafficking of tobacco products	DIA (2010), Relazione Del Ministro dell'Interno Al Parlamento The European House Ambrosetti (2011), Studio Strategico: i nuovi provvedimenti per il settore del tabacco: i fattori di rischio economici e sociali		Camorra, Apulian OC
	GDF (2010), Il Contrabbando Quale Fonte Di Finanziamento Della Criminalità Organizzata Nel XX Secolo		'Ndrangheta
Counterfeiting	NOT YET AVAILABLE		
Illegal gambling	NOT YET AVAILABLE		
Extortion racketeering	Transcrime (2008), Extortion Racketeering the Need for an Instrument to Combat Activities of Organised Crime		Italian OCGs
Usury	NOT YET AVAILABLE		
Fraud	Adamoli et al.(1998), Organised crime around the world	VAT fraud	Cosa Nostra, Camorra, 'Ndrangheta, Apulian OC
	DNA (2012), Relazione annuale	Funds fraud	Cosa Nostra, Camorra, 'Ndrangheta, Apulian OC
	Quirke (1999), Frauds against European public funds	Funds fraud	Camorra, Cosa Nostra, 'Ndrangheta

MARKETS	SOURCES	NOTES	FOREIGN OCGs
Drugs trafficking	DNA (2011), Relazione Annuale	Cocaine, heroin, cannabis	Albanian, Nigerian, Northern African, Dominican Republic, Colombian, Moroccan, Spanish, Tunisian
	National Focal Point (2012), National Report 2011: Italy		Moroccan, Tunisian, Albanian, Nigerian, Serbian
	Paoli, L. and Reuter, P. (2008), Drug Trafficking and Ethnic Minorities in Western Europe	Cannabis	Moroccan
Human trafficking	DIA (2012), Relazione del Ministro dell'Interno al parlamento	Sexual exploitation	Albanian, Romanian, Nigerian, Chinese, South American
	DNA (2012), Relazione annuale		Albanian, Romanian, Russian, Chinese, Nigerian, Bulgarian
	OSCE (2010), Analysing the business model of trafficking in human beings to better prevent the crime	Sexual exploitation	Bulgarian, Israeli, Albanian, Dutch, German, Greek, Arabic, Belarusian, Egyptian, Uzbek, Moldavian, Ukrainian
	Transcrime (2003), Trafficking in persons and smuggling of migrants into Italy	Sexual exploitation	Albanian, Nigerian, Chinese, Russian, Romanian
Weapons trafficking	Curtis, G. E. and Karacan, T. (2002), The nexus among terrorists, narcotics traffickers, weapons proliferators and organized crime networks in Western Europe		ETA, The Kurdistan Workers' Party
	Lavorgna, A. et al. (2013), Organized crime in three regions: comparing the Veneto		North African, Balkanian, Russian, Chinese, South American, Turkish, West African
	Massari, M. (2013), Guns in the family. Mafia violence in Italy Parente, M. (2010), L'Arma dei Carabinieri e le attività di prevenzione e repressione delle organizzazioni criminali Sagramoso, D. (2001), The proliferation of illegal small arms and light weapons in and around the European Union		Albanian
Illicit trafficking of tobacco products	DIA (2010), Relazione Del Ministro dell'Interno Al Parlamento The European House Ambrosetti (2011), Studio Strategico: i nuovi provvedimenti per il settore del tabacco: i fattori di rischio economici e sociali		Chinese, Romanian
	DNA (2012), Relazione Annuale		Russians, Slavs, Ukrainians, Lithuanians, Bulgarian, Moldavian
	Ministero dell'Interno (2007), Rapporto Sulla Criminalità in Italia		Romanian
Counterfeiting	NOT YET AVAILABLE		
Illegal gambling	NOT YET AVAILABLE		
Extortion racketeering	Transcrime (2008), Extortion Racketeering the Need for an Instrument to Combat Activities of Organised Crime		Eastern, Chinese
Usury	NOT YET AVAILABLE		
Fraud	NOT YET AVAILABLE		

Section 2:

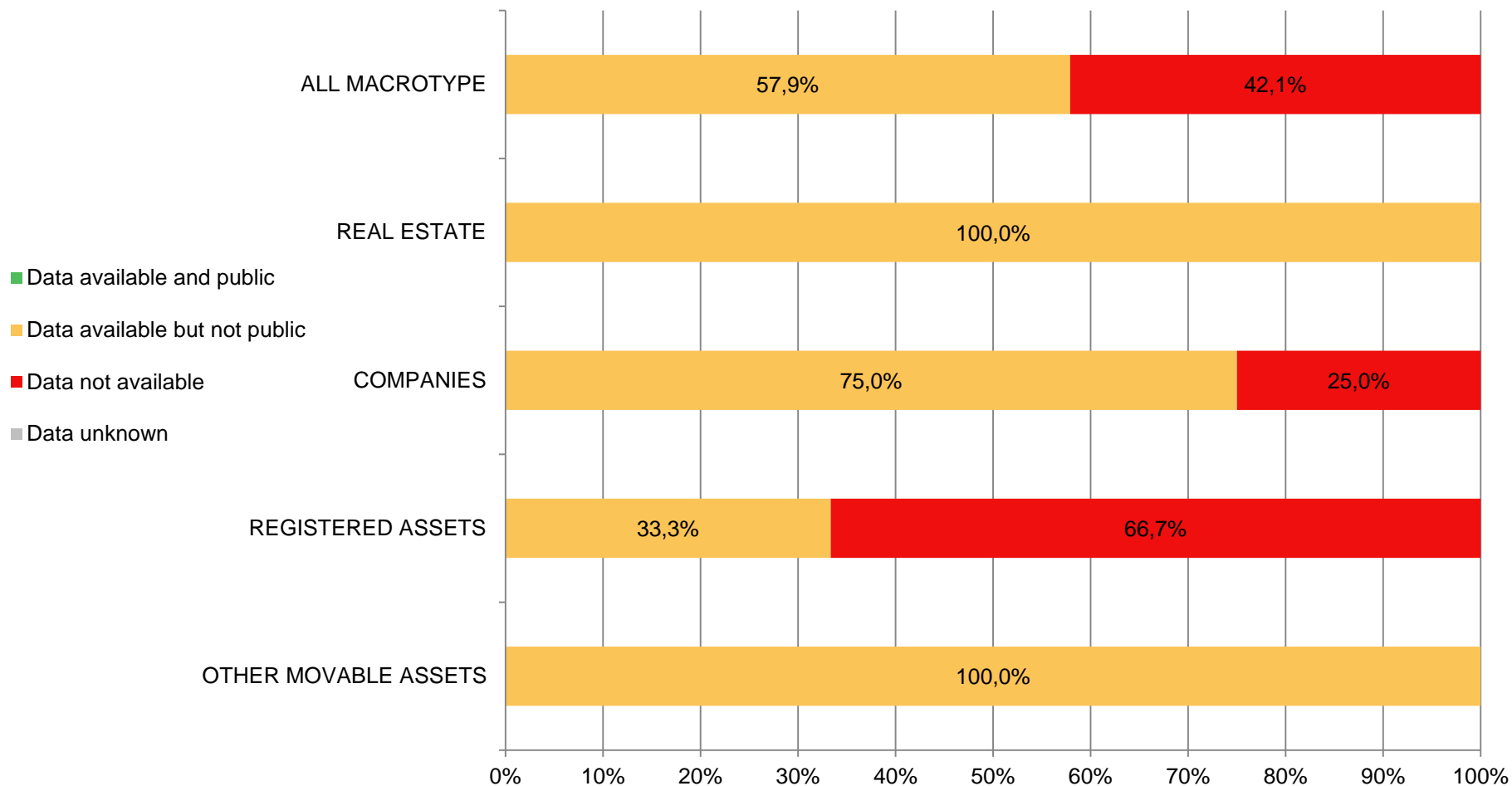
Data on confiscated assets

Statistics on confiscated assets have been provided by Agenzia Nazionale dei Beni Sequestrati e Confiscati (ANBSC). The database includes all confiscated assets from OCGs in Italy from 1983 to 2012 on the basis of:

- Preventative confiscation;
- Criminal confiscation (confisca penale);
- Extended confiscation (confisca allargata ex art. 12-sexies);

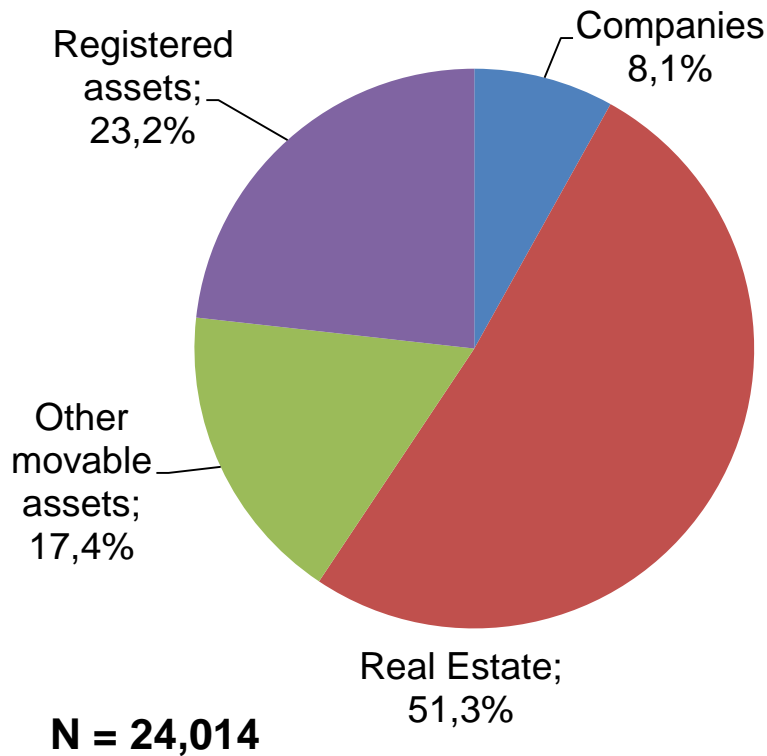
Information is provided **per each confiscated asset**

Data availability on confiscated assets



- Information **not available**:
 - Date of seizure
 - Country requesting the confiscation of the asset
 - Coordinates of confiscated asset
 - Nationality of the owner(s)/shareholder(s)
 - Criminal affiliation of the owner(s)/shareholder(s)
 - Offence(s) related to the confiscation
 - Type of confiscation
 - Legal situation of the asset
 - Total revenues/total assets (in case of companies)
 - Make (in case of registered assets)
 - Model (in case of registered assets)

24,014 confiscated assets between 1983 and 2012

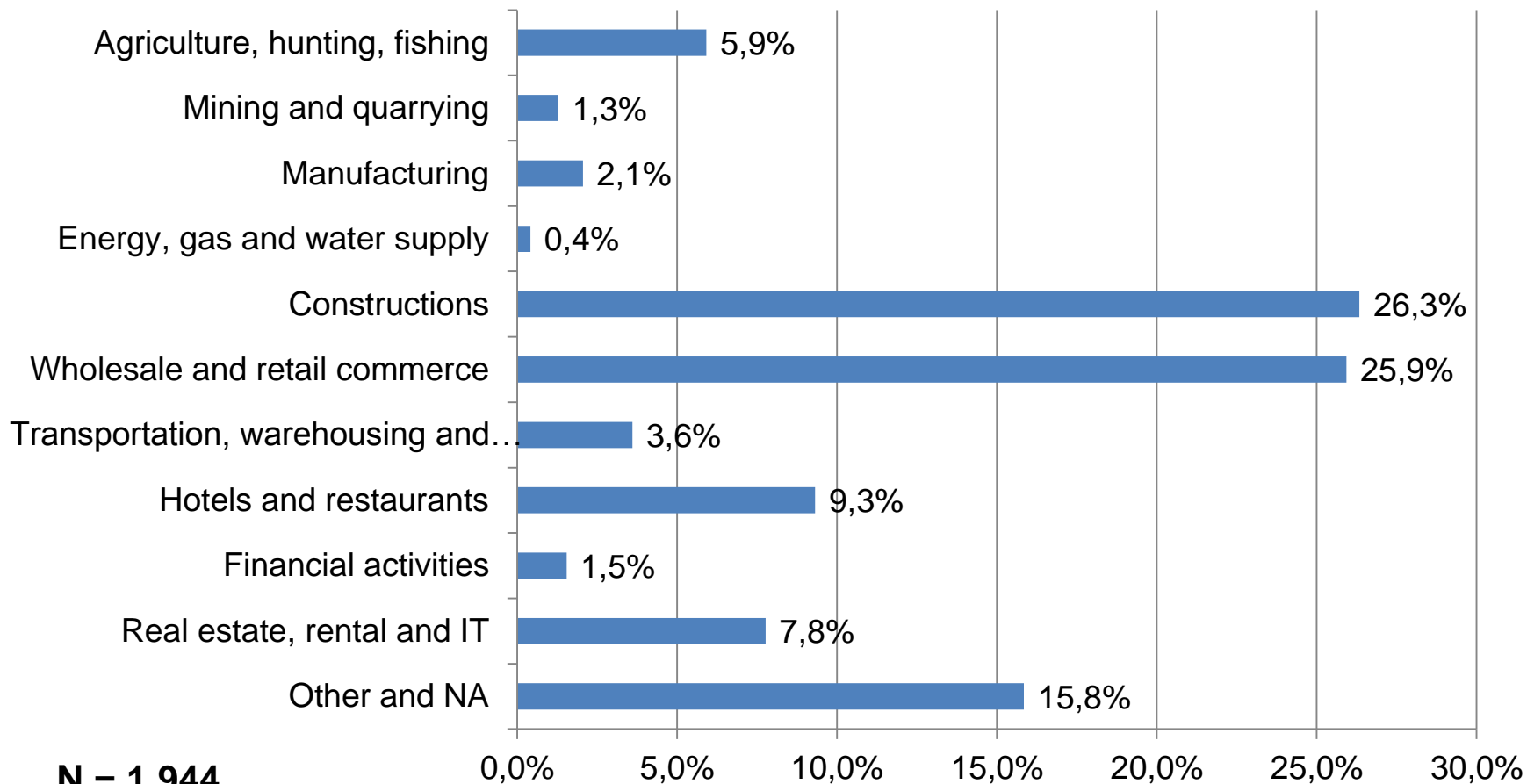


Confiscated assets		
Period	N.	N. Average per Year
1983-1989	677	96.7
1990-1999	4,584	458.4
2000-2009	14,048	1,404.8
2010-2012	4,705	1,568.3
1983-2012	24,014	800.5

Source: ANBSC

Data on confiscated assets – companies

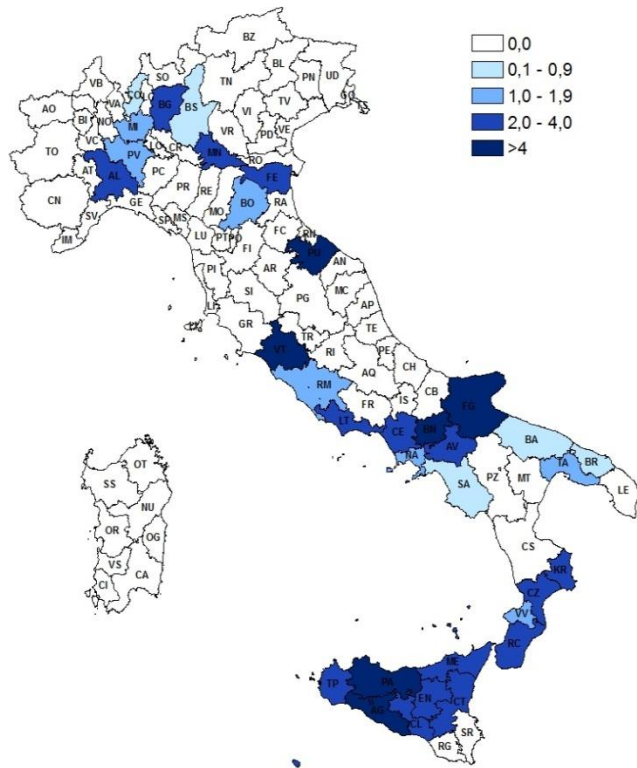
Business sectors



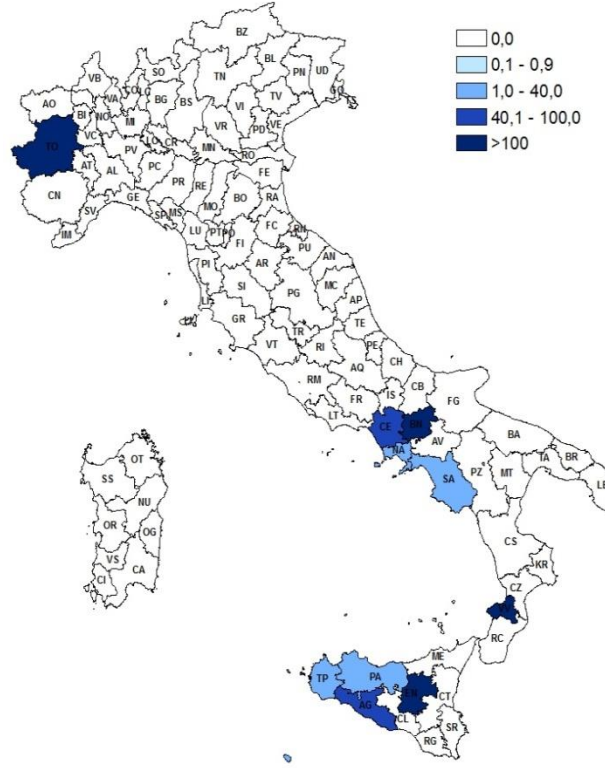
(Transcrime, updated 2013)

Data on confiscated assets – companies

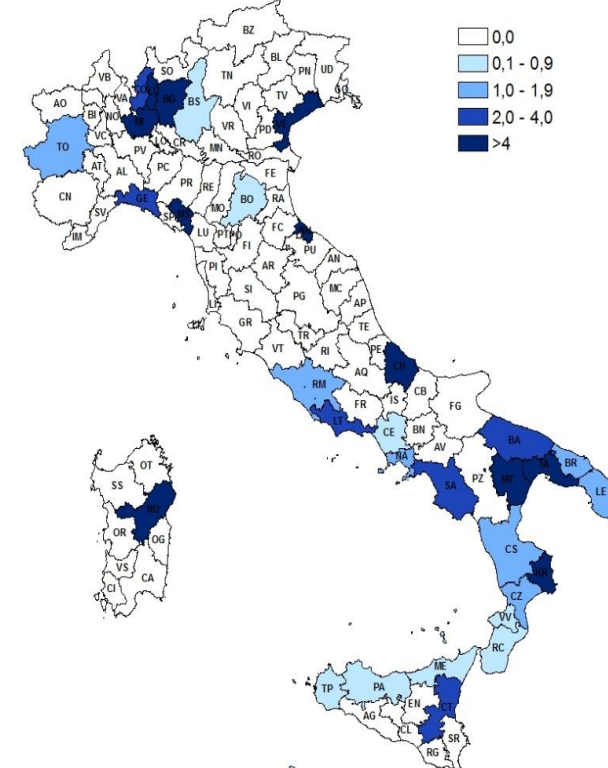
Business sectors with highest infiltration rate



Constructions



**Mining &
Quarrying**

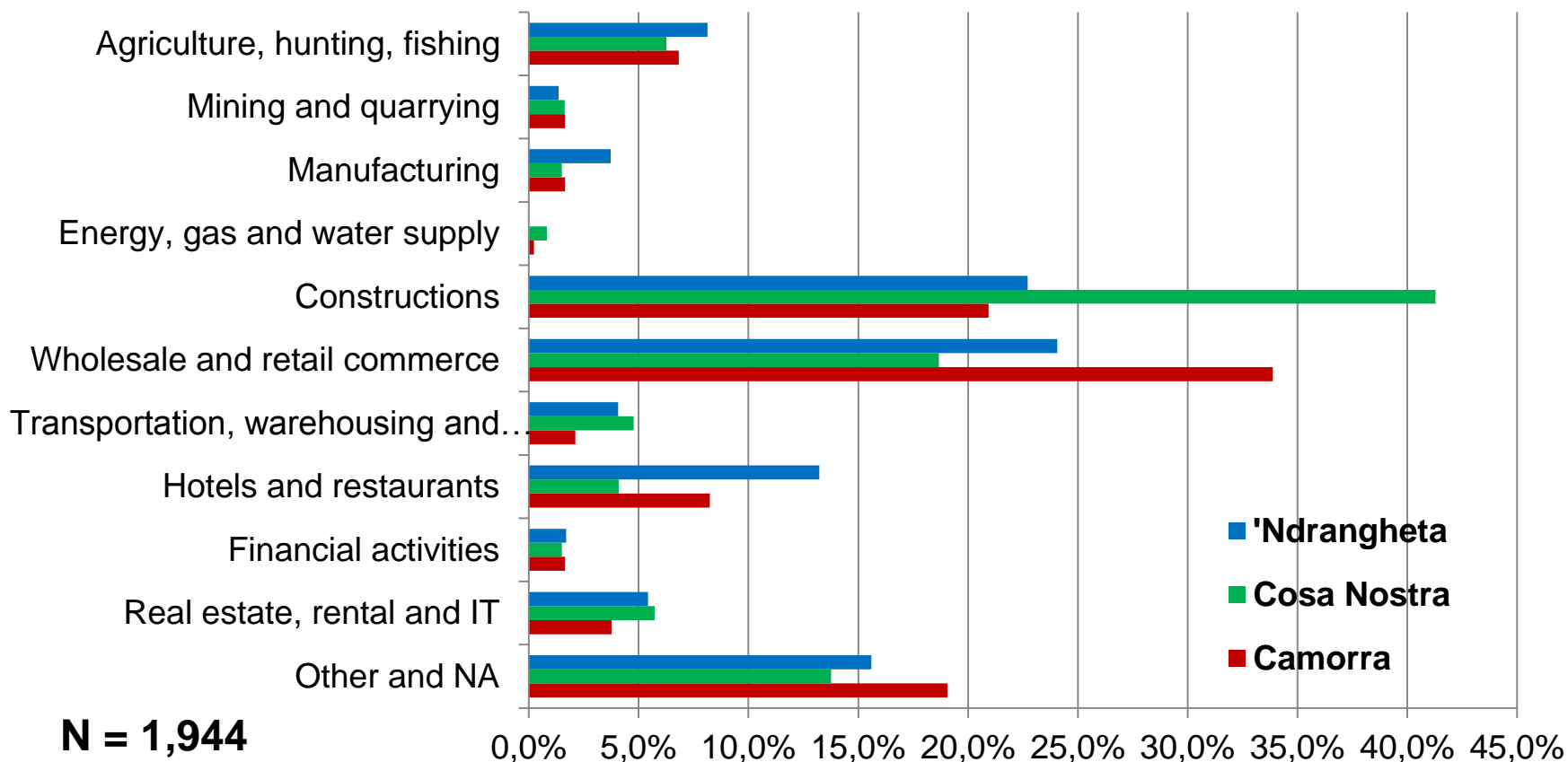


**Hotels &
Restaurants**

(Transcrime, 2013)

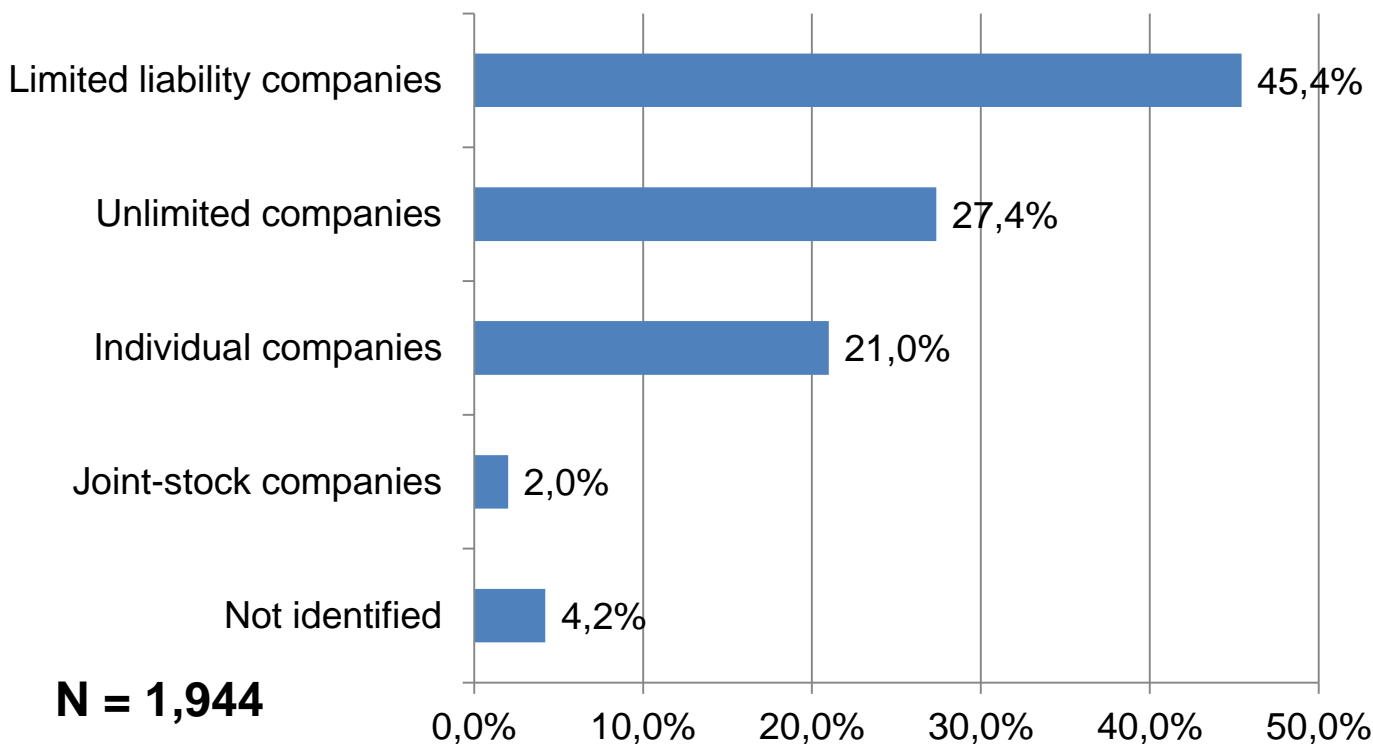
Data on confiscated assets – companies

Business sectors and Mafia OCGs



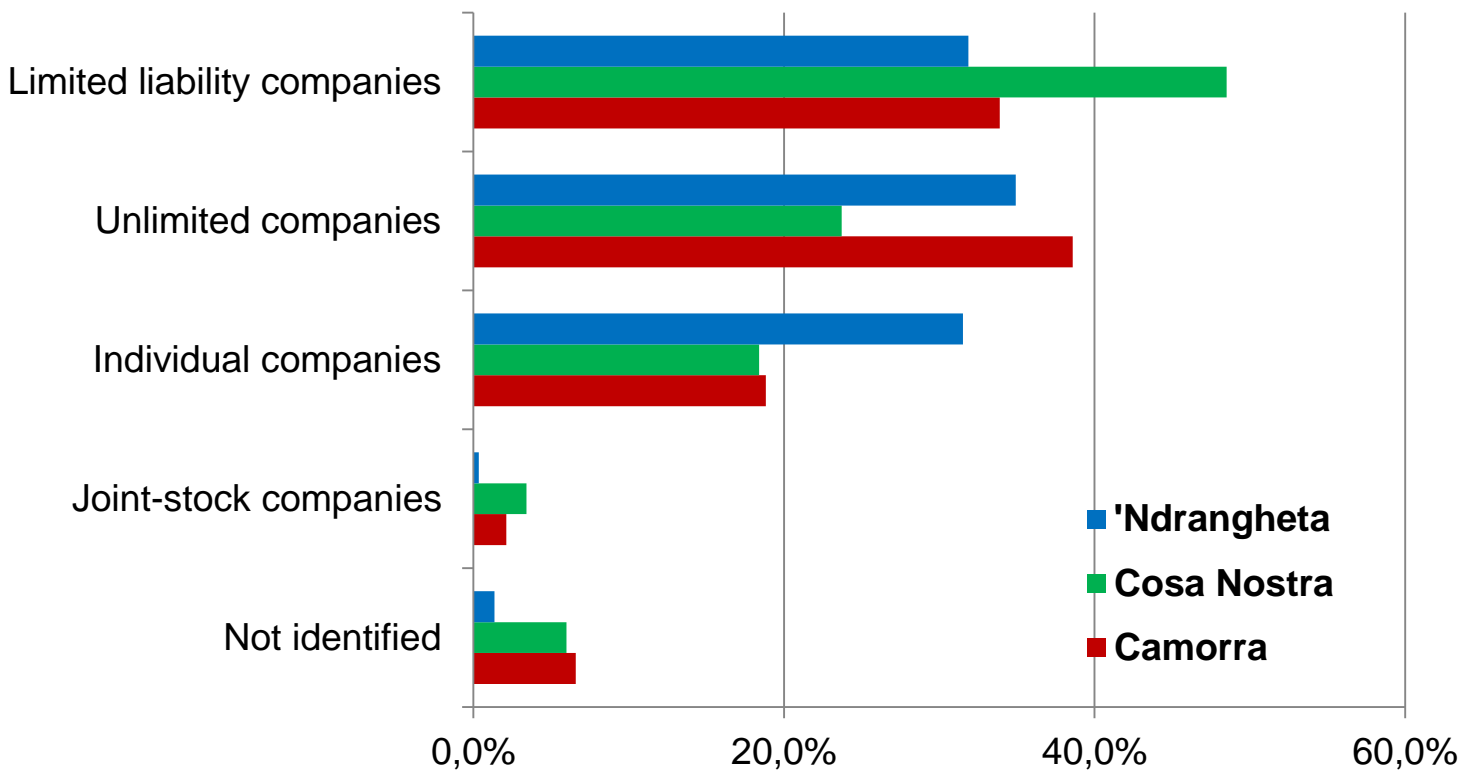
(Transcrime, updated 2013)

Legal form of the 1,944 confiscated companies in Italy between 1983 and 2013



(Transcrime, updated 2013)

OC investments – Italian OCGs and companies



N = 1,944

(Transcrime, updated 2013)

- On average, 1.5 companies confiscated per convicted person
- On average, 2 companies confiscated per convicted person affiliated to **Camorra and Cosa Nostra**
- On average, 1 company confiscated per convicted person affiliated to **‘Ndrangheta**
- 1,944 companies with available individuals subject to confiscation order in the DB
- 1,301 individuals subject to confiscation order in the DB

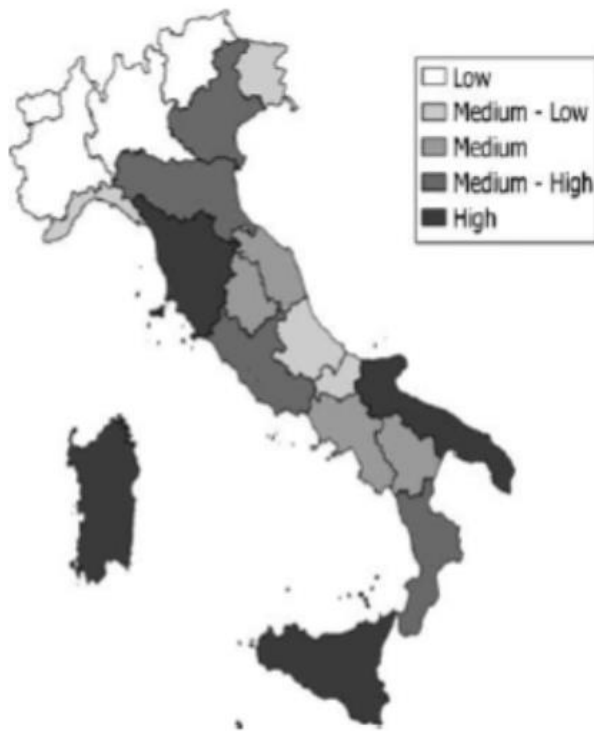
	Banda della Magliana	Camorra	Apulian OCG	Cosa Nostra	‘Ndrangheta	Other OCGs or not affiliated	Not assigned	Total
Average of company per available individuals subject to confiscation order	6.1	2.0	1.6	1.8	1.1	1.0	0.9	1.5

(Transcrime, updated 2013)

Section 3: Cases of OCGs investments

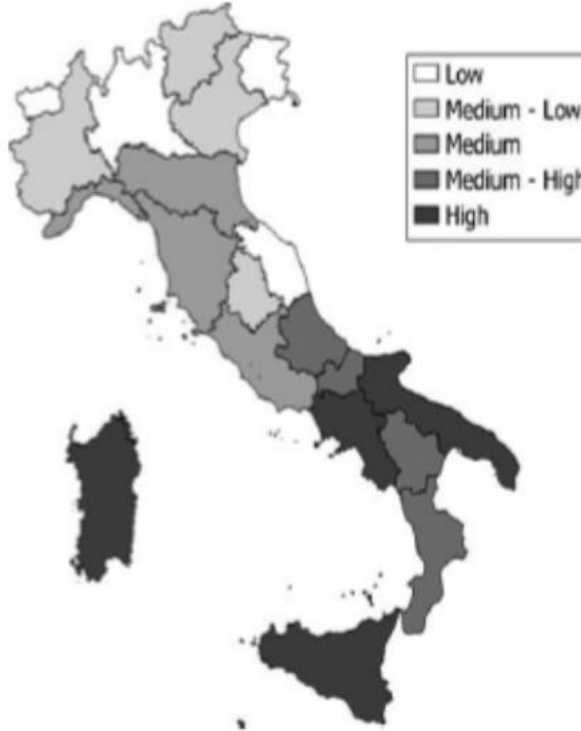
- Beyond the already illustrated cases, there is evidence of mafia investments in new sectors in recent years:
 - **Transportation/logistics:** in 2010, 6 branches of TNT Global, a dutch logistics and express couriers company, were infiltrated by the ‘Ndrangheta and then seized by Italian LEAs
 - **Call centers:** in 2011 the ‘Ndrangheta infiltrated a call center by buying into the company (operation *Blue Call*)
 - **Gold retail trade:** in 2012 it was discovered that gold pawn shops had been used for money laundering by the Camorra
 - **Renewable energy:** especially wind power. High correlation between distribution of wind power plants and Mafia presence (Caneppele, Riccardi, Standridge 2013)

Relevant case studies – Wind power



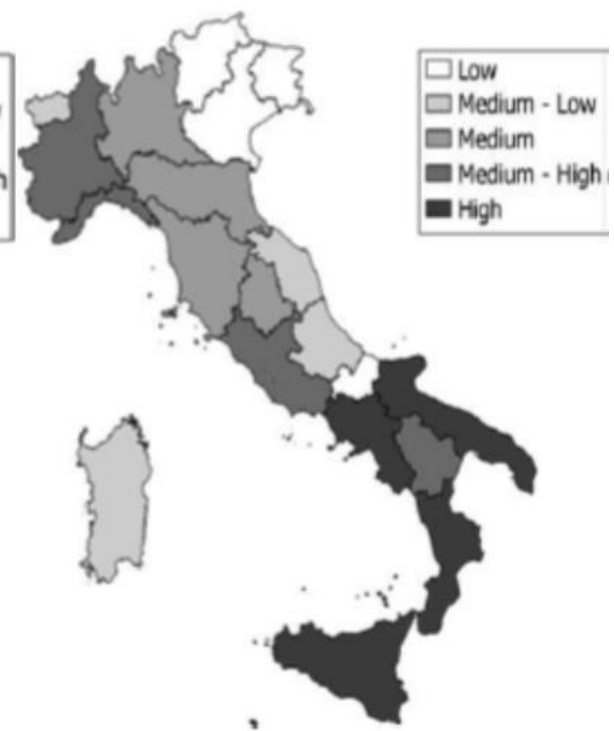
WP potential per Italian region

Source: Authors elaboration on data ESPON-ReRisk 2009



MW installed per region

Source: ANEV 2012



OC presence per region

Source: Transcrime 2013

- A series of **three operations, Operation Cian Liu, Cian Ba I & Cian Ba II**, carried out in 6 Italian regions (Lazio, Tuscany, Emilia Romagna, Lombardy, Apulia, Campania) in **2010-2012**
- Seizure of **207 Chinese-owned companies, 283 real estate properties and 471 vehicles, valued at 152 million euro**
- The network laundered money primarily through **14 MONEY SERVICE BUSINESSES**, but also owned **clothing, shoe, leather goods and fabric stores, bars, pastry shops, restaurants and import export businesses** (Guardia di Finanza 2012)

- Competing Georgian and Russian OCGs were controlling two different **import-export** companies in **Bari** in early 2013
- The companies were used as a cover for the resale of stolen goods, provided by the **organised theft ring** operating in the area (Corriere della Sera 2012).
- **Other sectors:** wholesale and retail of food, agriculture and fishing and transportation (Kegö & Molcean 2010; Varese 2011; Corriere della Sera 2012)