



Tackling Transnational Organised Crime

Challenges, Responses and Partners of International Development Cooperation





Transnational Organised Crime is a cross-cutting issue at both national and international levels, and cannot be limited to a single policy area. It is a global problem that can only be addressed if organisations in various sectors cooperate across borders as part of a multilevel approach: international police cooperation, security and intelligence services, the media, non-governmental organisations, private national and international business, and bilateral and multilateral development agencies must all be involved. The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is actively engaged in a number of measures and projects to help prevent and tackle Transnational Organised Crime in a development oriented manner.

The term 'transnational organised crime', also known by the acronym TOC, is used to describe all serious profit-motivated criminal actions of an international nature. It is not static; it is an constantly changing industry, always prepared to adapt to markets and create new forms of crime. It is an illicit business which does not respect borders or laws, and that transcends cultural, social, lingu-

istic and geographical boundaries. There are many activities that fall into the category of transnational organised crime, including:

- Trafficking in firearms, chemical, biological or nuclear substances
- Cultivation, production and trafficking of drugs
- Illicit financial flows (IFF)
- Poaching and illegal wildlife trade (wildlife crime)
- Fisheries crime and illegal, unreported and unregulated fishing (IUU)
- Illegal logging and trade in timber and timber products
- Human trafficking

TOC is a threat to peace and human security, it leads to human rights violations and undermines the economic, social, cultural, political and civil development of societies around the world. The vast sums of money involved can compromise legitimate economies and have a direct impact on governance, for example through corruption and the practice of buying votes.

TOC has a detrimental effect on the development of a country. Not only does it benefit from the institutional weakness that prevails in fragile and conflict-affected countries and regions – it also exacerbates conflict, fragility and violence. In the context of a long-term conflict in particular, coupled with arbitrary rule-setting and weak formal institutions, TOC emerges as a profitable source of income. Illegal networks profit from violence and anti-state insurgency movements. Informal, traditional institutions at subnational jurisdictions can effectively be hijacked by criminal networks and subjected to the rule of the delinquents. Thus, even traditional institutions based on social control with normative rule-settings can be permeated and taken over by TOC.

The trafficking of illegal goods from a fragile state to a stable state, and the occurrence of TOC in the latter, are evidence that organised crime is not limited to developing or fragile states but is increasingly a globalised phenomenon.



CHALLENGES

The different forms of TOC present different challenges. All, however, impact negatively on countries or regions:

- Trafficking in firearms is an important part of TOC in two ways. Firstly, illegal trade in weapons with the intention of making high profits is classed as TOC per se. Secondly, these weapons are often used to control territory of limited statehood or to arm groups directly related to TOC.
- The impact of IFF on a country is immense: tax evasion, corruption and illegal trade erode state revenues, lead to the misallocation of resources, and weaken the state's monopoly on the use of force. Moreover, organised crime uses multiple forms of corruption to infiltrate all branches of government, and often economies and societies as a whole. Law enforcement is suppressed and top-level political support often involved.

challenges

- Fisheries crime undermines resource conservation, and threatens food security and livelihoods. It destabilises vulnerable coastal regions due to limited law enforcement capabilities, and is linked to other serious crimes including money laundering. Unreported and unregulated fishing is a common practice that is a serious contributory factor in the depletion of certain species and the damaging of ecosystems.
- Poaching and illicit trade in wildlife is not only a serious global environmental issue and a threat for the conservation of often critically endangered species like elephant and rhino, but also increasingly threatens the livelihoods and security of the affected population. Criminal networks and in some cases terrorist organisations generate significant revenues through trafficking wildlife products, weakening statehood, security and governance in the affected countries and regions.
- Illegal logging and trade in timber and timber products undercut efforts to conserve the world's remaining forests, and

with them not only important sources of income, but ultimately ecosystem services which are essential for human wellbeing. The illegal trade both in precious wood and other timber products benefits only a few, not infrequently organised crime groups, and deprives local people, especially marginalised groups and often indigenous people, of their livelihoods.

Besides striving for power, TOC focuses on making profit. These profits are hidden from the tax authorities and usually channelled through secrecy jurisdictions. This also leads to considerable loss in state revenues.

Although TOC has become a challenge in many countries, ways in which development cooperation could tackle it have not yet been fully explored and are still little understood. To address TOC and its various manifestations international cooperation is called for, along with a regional focus and a context-sensitive and multi-level approach.



OUR APPROACH TO TACKLE TOC

On behalf of the German Government and international clients, GIZ has been working in the area of TOC for several years. Thanks to a worldwide network and expertise, GIZ can offer clients demand-driven, customised and effective services to help them achieve their international cooperation and development goals. GIZ tackles the root causes of TOC by adopting integrated developmental approaches and trying to support development projects to raise their awareness of TOC.

Policy advisory services

On the basis of German, European and international best practices, GIZ supports ministries including the German Federal Ministry for Economic Cooperation and Development (BMZ), institutions like the European Union (EU), different ministries and organisations in developing and emerging countries to identify innovative approaches to tackle TOC and making development policies more sensitive and responsive towards organised crime. GIZ advises partners, helping them make their anti-TOC policies evidence-based and targeted, and ensuring compliance with human rights and international conventions. GIZ's services include capacity development at the regional, national and local level, as well as the promotion of international, regional and national dialogue forums that can stimulate international exchange on best practices and help harmonise national policies.



Improving security and governance and working on conflict and fragility

TOC can be closely connected to fragility and conflict in a country or region. One important way of limiting TOC is thus to prevent violence and improve peace and security. This includes conflict resolution, security sector reform and strengthening the rule of law, alongside other activities in the field of peace and state building as well as good governance. In the field of governance, GIZ works with international partners to help partner countries develop comprehensive solutions designed to prevent or reduce corruption. GIZ aims to strengthen government institutions that guarantee access to public services for all in accordance with the principles of transparency, integrity, participation and accountability.

our approach to tackle TOC

Law enforcement and control policies

Law enforcement and control are important areas of supply-oriented policies. Measures in the fields of border management, freight transport, forensics and information exchange can support countries in taking effective action against organised crime including illicit drug or arms trafficking. Since law enforcement and control often require interstate coordination and cooperation, national units must be linked and effective cross-border communication promoted between the relevant national institutions.

Rural and alternative development

Comprehensive alternative development aims to reduce the dependence of the rural poor on illegal economies by improving the living conditions of farmers and other people involved in the cultivation of illicit drug crops or similar activities. The access of local communities to arable land, markets, education and jobs is improved. They are allowed to benefit from the sustainable use of

natural resources and are involved in their governance. The goal is not only, for example, to encourage farmers to abandon illicit drug crop cultivation in favour of other crops, but also to improve the marketing and distribution of agricultural produce. This may be flanked by comprehensive governance measures to address the root causes of illicit drug economies in an integrated way.

Demand and harm reduction

To take effective action against TOC, it is important to tackle not only the supply side, but also the demand side. In the case of drugs, demand reduction measures are based on a health-oriented approach that encompasses prevention, treatment and harm reduction. One way to reduce, for instance, the demand for wildlife products such as ivory and rhino horn in Asia is to change consumer behaviour. This approach involves targeted awareness raising campaigns to sensitise current and potential consumers, such as business people or users of traditional medicine.



EXAMPLES FROM THE VARIOUS FIELDS OF INTERVENTION

Violence prevention, peace and security

The GIZ sector programme Peace and Security is exploring the relationship between development and organised crime on behalf of BMZ. It develops concepts, methods and examples of good practice that provide a basis for sound and innovative policy advice. It also promotes a context-sensitive and do-no-harm-approach for development cooperation in countries affected by organised crime. To improve our understanding of the root causes of organised crime in fragile partner countries, and ultimately help reduce this crime, the sector programme brings together development partners, researchers and people working in relevant fields to exchange views and share experience in the field of tackling TOC. This includes supporting communities of practitioners like The Global Initiative Against Transnational Organized Crime.

Trafficking in firearms

In the field of arms control, GIZ focuses on developing the skills of local partners in identifying, marking, securing, managing and destroying arms and remnants of war. This is designed to curb the proliferation of weapons and weapons-grade materials, preventing misuse and strengthening the implementation of international standards. For example, GIZ supports the National Small Arms Commission in Côte d'Ivoire in making its management more professional and developing capacities in the marking and collecting of arms. GIZ's approach also embraces awareness raising measures and stockpile management activities with Ivorian security institutions. These measures help secure weapons, thus preventing criminal activities. Improving the handling, marking and safe storing of arms and ammunition is one way to cut off the supplies for transnational organised crime.



Cultivation of illicit drug crops

The GIZ sector programme Rural Development advises BMZ on the implementation of the German alternative development approach at the international level. Alternative development aims to improve the livelihoods of farmers in illicit drug crop producing areas, and by developing rural areas, making communities less prone to grow those crops in the long term. GIZ also supports and advises implementing agencies on alternative development projects. These currently include projects financed by BMZ and implemented by the United Nations Office on Drugs and Crime (UNODC) in Peru, Bolivia, Laos and Myanmar. The sector programme Rural Development also implements on behalf of BMZ the subcomponent “alternative development” of the EU-funded Cooperation Programme on Drugs Policies between Latin America and the EU (COPOLAD) that advises drug and development agencies in Peru, Ecuador, Colombia and Bolivia.

Illicit financial flows (IFF)

In order to counter Illicit Financial Flows (IFF) effectively and to foster policy coherence in this regard, BMZ will commission GIZ to launch a project in the second quarter of 2015. It has the purpose of systematically improving the conditions to counter IFF across sectors, countries and regions.

1. Tax Evasion

The sector programme 'Good Financial Governance' (GFG) advises BMZ on conceptual and methodological aspects in the thematic areas of taxes, budget, administrative reforms, financial control and resource governance. Its mandate is to further develop the German approach to GFG and transparency initiatives and to promote these actively at the international level. A particular work stream of the programme is the International Tax Compact (ITC). The ITC is an informal, action-oriented platform for facilitating and enabling both international exchanges and cooperation arrangements in the area of strengthening domestic resource mobilisation. GIZ

supports the implementation of an effective and efficient exchange of information for tax purposes in order to fight tax evasion and tax avoidance.

2. Corruption

The 'Anti-corruption and Integrity' programme advises BMZ on prevention and control of corruption including anti-money laundering and asset recovery. Within the framework of the programme, GIZ also works with partners on national and international level to network, develop and test instruments and approaches to prevent and fight corruption, as well as to enhance integrity within public institutions. The results of this work are then made available to the global anti-corruption community. On behalf of BMZ, GIZ has for instance participated in the design and execution of UNCAC Compliance Reviews. It has also supported the dissemination of the Bangalore Principles for Judicial Conduct to promote integrity within the judiciary. Moreover, GIZ supported community policing initiatives to prevent corruption in the police forces.



Poaching and illegal wildlife trade (wildlife crime)

To tackle poaching and the illegal wildlife trade GIZ takes an inter-sectoral, cross-border and trans-continental approach to TOC. Together with different German Ministries, international organisations like the World Customs Organisation, NGOs and the private sector, it works along the entire chain of illegal trade in ivory and rhino horn. The approach helps introduce innovative technical and organisational measures to deliver anti-poaching efforts in countries of origin and in protected areas in Africa, and trains and equips wildlife rangers to improve wildlife monitoring and control poaching. It also supports capacity development for law enforcement officials, such as customs authorities, to better enforce the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other relevant international and regional agreements. GIZ also promotes consumer behaviour change, particularly with regard to demand for ivory and rhino-horn in Asia, and facilitates cooperation between African and Asian countries. Such initiatives to reduce demand include, among others, the monitoring of (online) markets for illegal wildlife products,

examples

the exchange of journalists between countries in Africa and Asia to expand the media coverage of the current crisis, and targeted awareness raising campaigns to influence consumer decisions.

Fisheries crime

The sector project Promotion of Sustainable Fisheries and Aquaculture advises BMZ and relevant authorities and fishermen's interest groups in developing regions. This includes introducing legally binding rights of use for fishermen, coastal water surveillance systems, supporting fisheries management and fish processing in partner countries, and promoting environmentally sound and sustainable aquaculture. In Mauritania, GIZ advised the Ministry of Fisheries on the necessary legal and financial framework for a sustainable fisheries sector. GIZ has also helped draw up plans for managing fish stocks. With GIZ support, the Ministry has established a database that contains all information relevant to the sector. GIZ has supported the creation of a national advisory council to promote a dialogue among fisheries authorities, companies and private individuals engaged in fishing.

Illegal logging and trade in timber and timber products

The sector programme International Forest Policy advises BMZ, while the Forest Governance programme supports activities related to the fight against illegal logging and trade in timber worldwide. This includes support for the negotiation of legally binding agreements between the EU and non-EU timber-producing countries as part of the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan. These Voluntary Partnership Agreements (VPAs) ensure that timber and timber products exported to the EU come from legal sources, define what constitutes legality of timber in the country of origin and set up a system to control the supply chain accordingly. GIZ has supported the negotiations in, for example, Cameroon, Côte d'Ivoire, Laos, Viet Nam and Honduras. Besides its contribution to the FLEGT initiative, GIZ promotes anti-corruption measures in forest governance as well as a transparent and inclusive Reducing Emissions from Deforestation and Forest Degradation (REDD+) mechanism to combat climate change.

commissioning parties and cooperation partners

Commissioning and funding parties

- Federal Ministry for Economic Cooperation and Development (BMZ)
- Federal Ministry of Health (BMG)
- Federal Foreign Office (AA)
- Federal Ministry of the Interior (BMI)
- Federal Ministry for Economic Affairs and Energy (BMWi)
- European Union (EU)

Cooperation partners

- Federal Ministry of Finance (BMF)
- Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB)
- Federal Ministry of Justice and Consumer Protection (BMJV)
- German Federal Agency for Nature Conservation (BfN)
- United Nations Office on Drugs and Crime (UNODC)
- Joint United Nations Programme on HIV/AIDS (UNAIDS)
- European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)
- International Criminal Police Organization (ICPO-INTERPOL)
- Federal Criminal Police Office (BKA)
- World Customs Organization (WCO)
- Economic Cooperation Organization (ECO)
- The Global Initiative Against Transnational Organized Crime
- International and national NGOs

Since 2014, GIZ experts from various sectors, areas and programmes have met regularly to exchange ideas about current challenges in development-related TOC policy. They discuss and develop approaches to tackle TOC in the context of development cooperation, and try to identify ways of making development cooperation in fragile contexts more TOC-sensitive.

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Sector programme Peace and Security

Published by
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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April 2015

GIZ is responsible for the content of this publication.