

## Serious and Organised Crime Threat Assessment of Montenegro

PUBLIC VERSION

### Intelligence led policing

The purpose of this document is to provide all law enforcement agencies and state institutions in Montenegro, as well as other agencies involved in fighting the serious and organised crime and its forms, to help a better understanding of the situation in the country and identify the factors that would significantly affect the change of the situation in Montenegro in this area.

The prepared analytical reviews, risk assessment, identified trends and the assumed scenarios are aiming to serve the relevant authorities and other stakeholders in identifying common priorities and preparing appropriate responses to anticipated challenges, by using the model "Intelligence led policing".





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# Serious and Organised Crime Threat Assessment of Montenegro

PUBLIC VERSION

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## INTRODUCTION

Serious and organised crime threat assessment of Montenegro was conducted by the Montenegrin Police Directorate Team for the preparation of strategic documents, consisting of strategic and operational police analysts, whereby the assessment was based on the data from the current situation, dynamics and trends in the in serious and organised crime, out of police reports and assessments, intelligence, analytical presentations, research and other statements, which were made by the relevant national institutions or international and regional police and other organisations, as well as using a wide range of resources available to the public.

The purpose of this document is to provide help to all law enforcement agencies and state institutions in Montenegro, as well as other entities involved in fighting serious and organised crime and its forms, in better understanding of the situation in the country and identifying the factors that would significantly affect changes of the situation in Montenegro in this area.

The prepared analytical reviews, identified trends and the assumed scenarios are aiming to serve the relevant authorities and other stakeholders in identifying common priorities and preparing appropriate responses to anticipated challenges, by using the model “intelligence led policing”.

**Police Directorate Team  
for the preparation of strategic documents**

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## ABBREVIATIONS

<i>EU</i>	<i>European Union</i>
<i>EUROPOL</i>	<i>European law enforcement agency</i>
<i>ESPAD</i>	<i>European School Survey and Project on Alcohol and other Drugs</i>
<i>FRONTEX</i>	<i>The European Agency for the management of Operational Cooperation at the External Borders of the Member States of the European Union</i>
<i>NGO</i>	<i>Non-governmental organisation</i>
<i>OCTA</i>	<i>Organised Crime Threat Assessment</i>
<i>OCTN</i>	<i>Organised Crime Training Network</i>
<i>OC</i>	<i>Organised crime</i>
<i>OCG</i>	<i>Organised criminal groups</i>
<i>RIEAS</i>	<i>Research Institute for European and American Studies</i>
<i>SELEC</i>	<i>Southeast European Law Enforcement Centre</i>
<i>SOCTA</i>	<i>Serious and Organised Crime Threat Assessment</i>
<i>UN SOCTA</i>	<i>UN Serious and Organised Crime Threat Assessment</i>
<i>UNHCR</i>	<i>United Nations High Commissioner for Refugees</i>
<i>UNODC</i>	<i>United Nations Office on Drugs and Crime</i>
<i>UKTA</i>	<i>United Kingdom Threat Assessment</i>
<i>US</i>	<i>United States</i>

# 1. INTRODUCTION

## 1.1. Abstract

Organised crime is mainly invisible and often closely connected to the legal economy. Similar to other parts of Europe, the organised crime in Montenegro and the Region is expanding its network in different types of crime across borders, including a large variety of criminal activities, and hereby presents more and more a combination of low-risk and high-risk activities, by creating hereby flexible international relations which can easily adopt and respond to the strategies in law enforcement.

Strengthening the inter-institutional and international cooperation is a prerequisite for a successful fight against organised crime in the area of Southeast Europe. The organised crime is one of the biggest challenges and threats to Montenegro and the Region of Western Balkans, wherefore a strong regional cooperation is necessary. This is even more important as Montenegro has become in the past years not only a transit point for smuggled drugs and humans, but is more the final destination of criminals.

The organised crime is expanding its scope of activities in different types of crime across borders, exploiting legal economic activities in order to legitimise their criminal activities and apply high technology, especially for hiding and encrypting of communication.

The reports and analysis of the regional and international police organisations and other law enforcement agencies in the countries of the region, as well as the current practice of the Police of Montenegro, indicate that organised and serious crime is very difficult to detect. The collection of evidence is complex, especially in cases of transnational crime. Preventing and fighting serious and organised crime, therefore, receives a high priority on the political agenda, especially with the view to future accession to the EU, and the need to align the standard and practice for fighting organised crime, UN conventions, conventions and recommendations of the Council of Europe, directives and decisions of the EU framework, and responding to other international standards.

In general – in global, serious and organised crime is a dynamic concept that constantly adapts to a changing environment. It is more and more multinational, heterogenic structured and very flexible. The same applies on the organised and serious crime in the Region and Montenegro, which includes a large variety of criminal activities such as drug trafficking and weapons, illegal migrations and smuggling of persons, economic and criminal activity – cigarette smuggling / excise goods, counterfeit money and payment cards, murder, robbery and theft of vehicles.

This report-analysis should serve as a basis for a general understanding of the phenomenon of serious and organised crime in Montenegro and to identify the main problems in this area. This risk assessment is made in two versions, a public and a classified version.

The public version of the risk assessment is available to all ministries and government bodies, institutions and various organisations, economic and social community, but also the citizens, to all who can and should contribute to this fight through preventive action in order to create the conditions and the atmosphere which is not conducive for criminal activities. Only by joint actions of all stakeholders, the possibilities and manoeuvring space of organised crime can be reduced to secretly use our weaknesses for profit, which can significantly reduce the damage caused to the state and its citizens, and the economy and society in general.

The public version of the “Serious and Organised Crime Threat Assessment of Montenegro” is especially intended for decision makers at the highest strategic (ministerial) level in Montenegro, in the area of internal affairs, security, justice and finance, to assist them in setting priorities and providing additional resources for development and implementation of the “Multi-Annual Strategic Plan”<sup>1</sup> for fighting serious and organised crime at the national level.

At the operational level of activity, the Threat Assessment in the classified version, in addition to the public part includes also a chapter with descriptions and diagrams of organised criminal groups, with personal information about their members. The classified version is intended for police, prosecutors and other authorities and law enforcement agencies in Montenegro, serve them as a basis for making joint decisions on taking specific preventive, intelligence or operational-investigative activities directed towards the elimination of priority issues through the implementation of annual operational action plans<sup>2</sup>.

Preventing and fighting serious and organised crime, in addition to the security, in Montenegro it has a high priority on the political agenda, especially in the opening and closing of negotiation chapters 23 and 24, in the process of accession to the EU.

It should be emphasised that the police organisation of Montenegro accepted the ILP<sup>3</sup> model of intelligence led policing, whose main products are intelligence analysis transformed into appropriate action plans at the strategic and operational level, in order to approach and adopt the standards and practices for fighting organised crime by the UN conventions, conventions and recommendations of the Council of Europe, directives and framework decisions of the EU and other responsive international standards.

In order to ensure that the intelligence reports are transformed into operational plans and concrete actions in the field, particularly in the areas of prevention, intelligence and operational-investigative activities, it is necessary to fully develop the ILP concept “intelligence led policing” in directing resources in addressing the priority problems, and not just within individual law enforcement agencies, but also at the inter-agency –national level.

The development of the national intelligence model of prioritisation, management and allocation of tasks in the field of heavy opposition to the organised crime based on the SOCTA<sup>4</sup> analysis, is one of the measures which will be realised during 2014-2015 in accordance with the Action Plan for the Chapter 24, and for which a continuity support of the EU is provided through the expert assistance within the project IPA2012.

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<sup>1</sup> MASP – Multi-Annual Strategic Plan (EU policy cycle 2013-2017)

<sup>2</sup> OAP – annual Operational Action Plans (EU policy cycle 2013-2017)

<sup>3</sup> ILP – Intelligence Led Policing

<sup>4</sup> SOCTA - Serious and Organised Crime Threat Assessment

## 1.2. The main Conclusions

### Drugs

Smuggling and trafficking of narcotic drugs is the main activity of the organised crime in Montenegro. The most common types of drugs that are subject to the business of organised criminal groups are heroin, cocaine, marijuana (cannabis). In relation to the estimated amounts of drugs smuggled by the OCG from Montenegro, it can be concluded that Montenegro is to a lower extent the final destination, but mainly a transit zone, while in some cases it has only the role of a logistics base for the organisation and implementation of the activities designed abroad.

In relation to the area of operations, the rough division of criminal activities of organised groups in Montenegro can be done in two main forms:

- **Smuggling through the territory of Montenegro and local drug distribution**  
Where the organisation and realisation is connected to the territory of Montenegro.
- **Transcontinental smuggling and smuggling through the Balkan route and distribution in the European countries**  
Where the realisation of the criminal activity is conducted relatively far away, but the organisation, at least one part of it is conducted at the territory of Montenegro.

### Heroin

Local organised criminal groups in Montenegro are likely to be bypassed and/or excluded from the land heroin route from the Albanian organised crime, if they don't strengthen their "alliance" and offer favourable conditions for the transport of heroin through Montenegro, compared to the competition in the Region.

The latest confiscations of heroin in Montenegro, by their quality and quantity indicate that they were mainly intended for street sale, and no further smuggling to the EU countries. This is confirmed by smaller confiscations of heroin in the neighbouring countries, whose transport was organised through Montenegro, suggesting that this channel is used less and less.

### Cocaine

The biggest damage Montenegro suffers due to the criminal activities of cocaine smuggling, which is operated worldwide by several dozens of criminals with origin from Montenegro, out of which a certain number are not Montenegrin citizens. On one side they jeopardise the international reputation, and on the other side large amounts of illegally acquired money abroad is invested in the legal flows in Montenegro, whereby organised criminal groups are increasing their financial power and influence.

Because of the widespread network of contacts at key points, where criminals are originally from Montenegro engaged in organising parts of cocaine smuggling and distribution, the consequences of a failed job, errors or fraud that occurred abroad, may result in violence against members of the group or close associates in the territory of Montenegro.

### Marijuana

Albania as a country which is the direct neighbour of Montenegro and as a producer, has the most negative impact that on the local market in Montenegro marijuana is present in sufficient quantities, at low prices and easily accessible to the younger generation, the highest-risk category for this type of drugs.

Due to the relatively easy available "skunk" in the neighbouring Albania and the possibility for quick profit gains in short period, the smuggling of these types of drugs through Montenegro became a criminal activity in which mostly new, and usually temporarily affiliated individuals, are included.



### **Illegal migrations and trafficking of human beings**

Illegal migration in Montenegro still largely has the character of transit through the territory of Montenegro from the direction of Albania and Kosovo to the direction of Croatia, Bosnia and Herzegovina and Serbia. In the previous period these were mainly economic migrants from Pakistan, Algeria, Morocco, Afghanistan, Syria, Tunisia, or migrants of Kurdish origin, who, affected by poverty and other economic problems from their countries, move to Western Europe searching for a place for a better life for themselves and their families. For now, in this area, there are no registered OCG in Montenegro, but temporarily affiliated individuals, who in these activities do not gain significant profits in comparison to the other criminal activities. The biggest problem, and possibly the greatest damage in this field for Montenegro will be in the years to come, due to the abuse of the asylum system and “false asylum seekers”, if the Montenegro has to accept back all those persons who once sought asylum in Montenegro and whose residence is registered in one of the EU countries.

In the area of human trafficking there are no registered trends which could indicate to the existence of a serious problem, as well as no OCG involved in this criminal activity. However prostitution and the entertainment industry, which includes sexual exploitation, especially in the coast-cities during the summer season, is a potential risk and a fertile base for the emergence of trafficking crimes. Another risk population in the field of human trafficking in Montenegro, to which special attention has to be paid, is the juvenile Roma.

### **Economic Crime**

Among other forms of criminal activities that are most common and whose trends may in smaller or greater extent influence the changes of modes and types of criminal activities in Montenegro, there are financial crime, particularly in the area of fraud and falsification, as well as cyber crime.

### **Smuggling and sale of excise goods**

Not aligned fiscal politics on the regional level can be one of the causes of the illegal trade of cigarettes, as it leads to huge differences in the prices of tobacco products in the neighbouring countries. The biggest impact on the change of the direction of cigarette smuggling through Montenegro might be the further increase of the excise tax on cigarettes firstly in Croatia, and in the next years also in Serbia, to almost triple of the current level, all in compliance with the EU directive in this area. In these activities, in the major part of them, no OCG are operating in Montenegro, but temporarily associated individuals, who acquire significant funds based on not paid tax, excise and customs duties when importing these goods.

### **Cyber crime**

In the previous years, the world recorded a rapid development of the use of various forms of information technology. Also Montenegro records a constant growth in these areas. A growing number of internet users, new electronic services, in particular electronic payments over the internet in Montenegro, are especially risky environments for these offenses. In this area there are no OCG in Montenegro, but individuals or small groups of people who use their knowledge in the field of information technology, primary for credit card fraud or identity theft.

### **Other horizontal issues**

Among other forms of criminal activity that are most common in Montenegro, whose trends can, in lower or higher extent affect changes of the modes and types of criminal activity, there are: smuggling of counterfeit goods, money laundering, corruption, as well as certain property crimes, and the latest period also usury.

In the next period in Montenegro, it can be expected that sub-groups of international criminal groups can be formed, so-called motorcycle gangs, who already carry out their criminal activity on the territory of several European countries and the regional countries.

## The Goal, object and content of the analysis

**The goal of the analysis**, the Serious and Organised crime Threat Assessment for Montenegro, is to present the updated report on the current situation of the serious and organised crime as well as predictions of its future development. Also, the analysis should help in making better decisions in the fight against serious and organised crime and in the efficient implementation of measures envisaged by the Action Plan for fight against serious and organised crime in the country, as well as raising awareness and attracting more public participants for the strategies of the fight against serious and organised crime.

This document is prepared in accordance with the standards of EU and UN SOCTA and provides the latest overview and analysis of the scope, nature, condition and characteristics of serious and organised crime in our country, with emphasis on the global nature of the problem and the impacts from the Region of the Southeast Europe.

**The first chapter** contains the key findings and recommendations in the form of summary and introduction to this document. Also, this part of the document provides an overview of the framework in which the analysis was prepared, its purpose, subject and content and the work methodology.

**The second chapter** provides an overview of the environment in which the situation is more or less influencing the situation in Montenegro, with a particular focus on the Western Balkans.

**The third chapter** provides a description and prediction of the major criminal activities that were estimated to be the major threats.

**The fourth chapter** contains a general introduction to the profile of the organised criminal groups.

**The fifth chapter (classified)** contains specific descriptions of active organised criminal groups with personal information about their members.

**The sixth chapter** contains conclusions and certain recommendations, which can be very important while considering strategies and preparation of strategic and operational plans, concrete steps towards resolving priority problems in the area of serious and organised crime.

### 1.3. Work methodology

This analysis was prepared by the Montenegrin Police Directorate Team for the preparation of strategic documents, consisting out of strategic and operational police analysts from different organisational units. The data were collected for the period 2011 – September 2013.

A plan for data collection was prepared and, to the possible extend, based on data from the estimated relevant sources, statistics, information and intelligence, an analysis was prepared – assessment of the major offenses and criminal areas in our country.

During the work on the risk assessment a PEST<sup>5</sup> analysis was conducted, in order to determine the key national factors that are in favour of the emergence of criminal groups and the development of their criminal activities at the national, regional and local level.

The analysis includes insight into the various resources which are relevant to the subject of the analysis and which can be useful for the realisation of the goal of the analysis. Meaning that the information about the current situation, dynamics and trends, and the best practice of the police services in the region, Europe and the world, was used, formulated through a strategic document and risk assessment of organised crime of international police organisations like:

- EU OCTA, Organised Crime Threat Assessment, Europol
- SEE OCTA, Organised Crime Threat Assessment, SELEC
- UKTA, Organised Crime Threat Assessment, United Kingdom
- UN-SOCTA, UN Guidelines on the preparation and use of serious and organised crime threat assessment
- RIEAS, Research Institute of European and American Studies
- UNODC, surveys and reports
- US State Department, the Reports of the United States of America
- Strategic documents and national strategies for the fight against criminal in the surrounding countries
- Researches of non-governmental organisations, available on the internet.

The research and analysis process was conducted in the following stages:

- Preparation and Research;
- Development of the research instruments;
- Data collection in the field;
- Processing of data from the research instruments, and
- Preparation of the final report.

The latest methods recognised at the international level were used In the process of data analysis in relation to organised criminal groups and criminal activities. The system SLEIPNIR 2.0 was used for the ranking of organised criminal groups, in accordance with the threat criteria.

The analytical method of the criminal-arboristic perspective was used to identify the key strategic entities, assess their capacity and detecting priority single persons towards which the activities of the law enforcement authorities should be directed. This method allows the identification of single persons within an organised criminal group, which determines the success in the implementation of the criminal activity, and its application was important in order to maximise our chances in predicting the direct or indirect results that can be achieved by taking any measure in relation to a strategically important person.

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<sup>5</sup>PEST analysis is an acronym (political, economic, social and technology) and understands an analysis method of the environment and a base for the strategic planning. PEST analysis the environment, the current situation and trends and provides an overview of the situation in the environment that can have an effect on the situation in the country.

## 2. REVIEW OF THE ENVIROMENT

**1** Since the offenses in the area of serious and organised crime are increasingly transnational, global phenomena, for a more complete analysis and understanding of the impact of the external factor on Montenegro, the situation and the trends have to be considered on a much wider geographical area.

**2** The geographical location of the Balkan Peninsula between Europe and the Middle East largely affects the major criminal activity in this area. The Balkan Peninsula is a natural bridge over which for more than 10.000 years people are migrating from Africa and the Middle East for the colonisation of Europe. In order to satisfy human needs for various goods and services, through the same routes over the Balkan Peninsula for centuries numerous commercial channels were established.

**3** These factors also profile the major criminal activities of organised criminal groups in this area. Organised crime is focused exclusively on making profit using primarily the situation or possibilities dictated by the supply and demand:

- that certain goods or services are requested but not easily or legally available, and
- the vulnerability of certain categories of people.

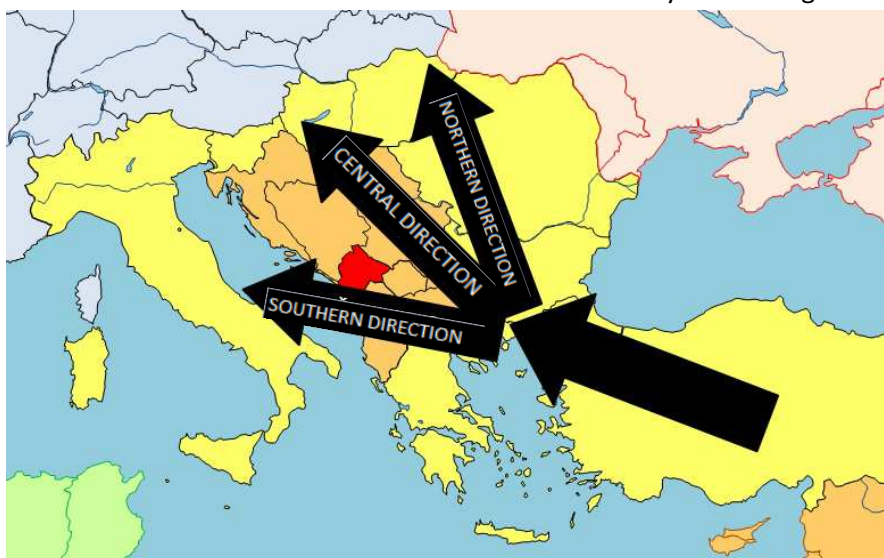
**4** For this reason organised criminal groups from the Western Balkan, but also from the whole South East Europe, emerge as important intermediaries and service providers primarily in satisfying the needs of the rich markets of Western and Northern Europe for drugs, but also to facilitate the migration flows of people between East -West.

**5** The main direction of movement of illegal goods and people migration flows is along the axis of the southeast to the northwest of the Balkan Peninsula and is known as the **“Balkan route”**.

**6** Through the **“Balkan route”** and through the same smuggling channels different illegal goods are moving in both directions, but through this route two factors are dominant:

- **smuggling of narcotic drugs and heroin and**
- **transportation of illegal migrants.**

**7** For the organised crime, the Western Balkan countries, together with Bulgaria and Romania represent a unique picture in which the system of smuggling heroin across three main routes is operating, over **“the Balkan route”** (northern, central and southern direction), while this area is increasingly gravitating towards Ukraine and Moldova, earlier in the field of illegal migration, and lately in the drug business.



*The routes shown in the picture are aproximations of main directions from the perspective of Montenegro.*

**8** Organised criminal groups in this area also use the strong connections to numerous and widespread population in the Western Europe which is originally from this region, to establish control over the whole criminal flow and during the sale of goods on the end-markets.

**9** This is especially the case with the organised criminal groups from Albania and Kosovo, who, with a wide variety of network associates in the Diaspora, are dominant in the control of transactions with heroin, prostitution and illegal migrants.

**10** In the latest time, several organised criminal groups from the Balkan are increasingly oriented towards their main criminal activities which are carried out outside of the Balkan region, what has become particularly the case with **smuggling and selling cocaine**. In the smuggling business of cocaine, Balkan organised criminal groups, usually consisting of mixed participants, Montenegrins, Serbs and Croatian criminals, emerge as providers of the trans-ocean transport from South America via Africa or directly to the Western European market.

**11** As these groups carry out the criminal activities far away from the Balkan, and the earned profits are accumulated in the countries of origin of their leaders and members, the power and wealth is difficult to be connected to the crimes.

**12** Groups that are longer present are focused on investing illegal profits into the legal economy, seeking to become legitimate, and they have also developed a way of behaviour as an important part of the working strategy based on the use of **corruption, influence and violence**.

**13** According to the estimations of the Southeast European Law Enforcement Centre - SELEC<sup>6</sup>, the most dangerous organised criminal

groups in the Balkans conduct their criminal activities while respecting the basic principles of the market economy with a well-established division of tasks, whereby greater opportunities are created to participate in various criminal activities.

**14** In addition to drugs and illegal migration – being the main operations of the organised crime in this part of Europe, as additional activities usually the following occurred: smuggling of weapons, stolen motor vehicles, excise goods, human trafficking, various forms of financial crime, fraud, falsification or money laundering.

**15** The characteristics of the Balkan organised criminal groups is that they became more flexible, more joint with a higher cooperation among them, especially in organising the illegal transport of goods in order to reduce cost and risks, all aiming to maximise profits.

**16** These groups are also increasingly taking measures to protect the activities from the police and other law enforcement authorities. The developed international dimension of these groups further complicates the detection and disruption of the entire network of people who are part of organised groups, when their activities are widely spread across the territory of two or more countries.

**17** Another factor further complicates the work of the law enforcement authorities. This is the high mobility of the members of the organised criminal groups, who often travel through all the countries in the region, and because of a higher protection for themselves they prefer a **“face to face” meeting** with other criminals during the contracting and monitoring of movement of the illegal goods.

**18** The second countermeasure of organised criminal groups is the increasing use of anonymity provided by online communication possibilities such as **“Skype”**.

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<sup>6</sup> 2011 Report SEE-OCTA, SELEC – Southeast European Law Enforcement Center in Bucharest, Romania

**19** The strong interconnection, a wide area of action outside the region and intertwined interests of various organised criminal groups from the Western Balkan, lead to a situation that is some of the countries in the region feel the consequences, mostly in form of violence among members of the group, as a reflection of creating alliances or conflicts in other countries of the region, Europe or beyond.

**20** The goal of the organised crime is to create profit through illegal business, and any diversion of attention of the public and police towards the members of the group has a negative impact on the business. The violence which is in the recent period applied by Balkan organised criminal groups is strictly controlled and carried out as part of their long-term strategies. The violence in form of threats, beatings or killings are mostly carried out among members of organised criminal groups and their connected persons, and usually within the group to establish a hierarchy or enforcement of discipline, whereby violence between groups primarily aims to take primates and establish control over a given territory or route.

**21** Organised crime is also known to quickly fill the blank space, arising after the elimination of the key “players” in the market or interruption of the supply of a particular route. Immediately alternative routes appear as well as new “players”.

**22** The periodical reorganisation of routes and recomposing of relations between organised criminal groups of the Western Balkan, which is affecting Montenegro, usually can be seen on the route between groups of Albanian ethnic origin and other groups for the control over parts of southern and central directions of the “Balkan route”.

**23** The strategy of the organised criminal groups originating from Kosovo and Albania, who dominate in the smuggling of heroin, is that in partnership with relevant local groups in all countries along the directions of the “Balkan route”, establish full control of the

transport of heroin from Turkey to the distribution network in Europe, and to a lesser extend the policy of replacing heroin for cocaine in order to enrich their offer on the Western European market.

**24** This process sometimes leads to conflicts, in countries towards the Balkan direction, between those native groups who are against and those who are supporting cooperation with groups of Albanian ethnic origin.

**25** Due to the continued strengthening of the Albanian criminal groups of ethnic origin across Europe, and changes in the drug routes, for Europol it is more and more important to establish as soon as possible a strategic and operational cooperation with the countries of the Western Balkan. For this reason, Europol recommends to the European Union that the countries of the South Eastern Europe provide additional operational support<sup>7</sup>.

## **Montenegro between central and southern direction of the “Balkan route”**

### **Southern direction of the “Balkan route”**

**26** Organised criminal groups of Albanian ethnic origin fully control the major part of the southern direction of the smuggling routes from Macedonia and Kosovo directly to ports in Albania (Durrës and Vlora) and further towards Italy. As long as this is the case, it is unlikely that from the main route through Albania significant amounts of illegal goods (primarily heroin) will in future travel through Montenegro through the port of Bar, or on other minor smuggling routes that Albanian crime does not control.

**27** An exception might be an increase in the smuggling of marijuana type of skunk through Montenegro, whereby Albania is the major producer in this part of Europe. The intensity of the smuggling of skunk through the

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<sup>7</sup> 2011 Europol Report EU-OCTA “Organised Crime Threat Assessment”

confirmed direction from Albania, via Montenegro to Bosnia and Herzegovina, has for years not been reduced, despite frequent police actions and confiscations in all three countries. The Montenegrin organised criminal groups over the short route of 100-150 km through Montenegro, quickly generate a high average profit of around 300-400 euros for the transport of each kg of skunk, which is a strong motivation for the continuation of this activity, as well as the high cost of skunk on the markets of the Western Europe countries (3.000-5.000 euros per kg)

### **The central direction of the “Balkan route”**

**28** A negative impact on the situation in Montenegro can have the situation on the central direction of the route due to strong connections and close association of the groups from Montenegro and the groups in Serbia, where a large number of members are originally from Montenegro.

**29** The continued conflict of the two main directions of the dominant groups in Serbia and partly in Croatia and Bosnia and Herzegovina, one that cooperates and one that opposes the cooperation with the groups from Albanian ethnic origin, is reflected through individual cases of violence against related parties in Montenegro.

**30** It is expected that the further escalation of violence is mostly limited and focused on individuals in the criminal population, without significant impact on the safety of citizens in order not to provoke a stronger revolt of the society.

**31** Another consequence of the continued conflict of the opposing sides along the central direction can be the mild changes in the smuggling routes, or diverting a portion of the transport through those routes where there is less conflict, possibly dominant on the northern direction of the Balkan route, which has a better transport infrastructure (Bulgaria-Romania-Hungary) or a slight increase in the transport of heroin or migrants from Kosovo to the west across the north of Montenegro and Bosnia and Herzegovina.

**32** The third consequence may be the greater convergence and direct contacts of non-Albanian organised groups of the Western Balkans with the groups in Turkey, in order to circumvent the group of Albanian ethnic origin and organise the transport via alternative routes that are not controlled by the Albanian organised criminal groups (most likely the northern direction of the Black Sea route). Should this occur, the trend of a stronger cooperation with Turkish groups would also be followed by members of organised groups from Montenegro who are primarily engaged in smuggling heroin, probably through the mediation of the Turkish criminal groups with their roots and origination from the countries of the Western Balkan.

### **The northern direction of the “Balkan route”**

**33** Should the Europol predictions be confirmed that there will be an increasing intensity of heroin and cocaine smuggling and illegal migration movement throughout the countries with access to the Black Sea (Bulgaria, Romania and Ukraine), this could positively influence the reduction of drug trafficking through the territory of Montenegro, and hereby also reduce the possibility of Montenegrin organised groups to gain profits in Montenegro.

**34** The negative effect of this scenario would be the further internationalisation of the Montenegrin organised crime. The Montenegrin groups that would like to stay in business with narcotics, primarily heroin, would have to move the realisation of their activities outside of Montenegro and according to the already proven method of dealing with cocaine, provide also services and transport outside of Montenegro and return the earned profit into the country, increasing the richness which is difficult to connect to the crimes.

### 3. MAIN CRIMINAL ACTIVITIES

#### 3.1. Drugs

*“Smuggling and trafficking of narcotic drugs is the main activity of organised crime in Montenegro. The most common types of drugs that are the subject of criminal business of organised groups are heroin, cocaine, marijuana (cannabis).”*

**35** In relation to the area of operation a rough division of the criminal activities of organised groups from Montenegro can be done in two main forms:

- **Smuggling through the territory of Montenegro and local distribution of drugs** whereby the realisation and organisation is connected to the territory of Montenegro.
- **Transcontinental smuggling and smuggling via Balkan route and distribution in the European countries** whereby the realisation of the criminal activities is conducted relatively far away, but the organisation, or at least one part of it is conducted in the territory of Montenegro.

**36** In the last two decades of the Montenegrin society, it is facing a major problem of drug crime to security. This type of crime, except the security, has also social, health and other implications, as the presence of the drugs causes not only crimes related to the production, smuggling and distribution of drugs, but also a wide range of other crimes that are directly or indirectly connected to the narcotics. Such offenses are criminal offenses with elements of violence, property crimes, fraud, money laundering, usury, etc. In addition, drug-related crime can affect the increase in juvenile delinquency and even prostitution, begging and other deviant phenomena.

**37** Organised criminal groups are investing increasing amounts of illegal money acquired by smuggling and selling drugs abroad, in legitimate business, and hereby they are increasing their financial power and also the influence on different spheres of the society.

**38** The demand for drugs in the major markets of the Western Europe is not reducing, which further encourages organised criminal groups and individuals from Montenegro to continue or step up the intensity of their activities of smuggling and selling drugs, which certainly affects also the situation in this area in Montenegro.

**39** The profitability of operations in relation to drugs, regardless of the ongoing efforts to detect and interception the smuggling channels and break international criminal groups, motivates the new criminals to engage in this type of illegal activity.

**40** Arresting members of organised criminal groups engaged in smuggling drugs is no guarantee for their elimination from these activities. The structure of the individual groups is done in that way that although they are in prison, they find a way to continue to actively coordinate and organise the smuggling.

**41** During the previous years it was recorded that there is a stronger connection and better organisation of groups from several countries in the region and a joint and coordinated participation in smuggling of large quantities of drugs to the markets of the European Union.

**42** In relation to the estimated amount of drugs smuggled by OCG from Montenegro, it can be concluded that Montenegro is to a lesson extend a final destination and is mainly a transit zone, while in some cases it has only a role of logistic base for the organisation and implementation of activities designed abroad.



### 3.1.1. Heroin

*“The latest confiscations of heroin in Montenegro, in relation to the quality and quantity, indicate that they were mainly intended for street sale, and no further smuggling to the EU countries.”*

#### The global nature of the problem

**43** Heroin is the most dangerous drug. In accordance with the risk assessment prepared mid of 2013 by UNODC<sup>8</sup> on the subject of global trade of Afghan opium, in the world there are 16-17 million of addicts to heroin who consume 375 tons of pure heroin each year, providing the organised crime with a turnover of around 55 billion euros<sup>9</sup>.

**44** The largest producer of heroin in the world is Afghanistan (produces about 74 % of the overall world production of opium), and the highest demand is in Europe, primarily in its east in Russia and in the West in UK, Italy, France and Germany.

**45** The United Nations estimate that of the total working population in Europe (aged 15-64 years) about 0,6% is using heroin, while this percentage in the countries of the Southeastern Europe is slightly lower 0.3-0.5%.

**46** Several years in a row, the annual production of heroin in Afghanistan exceeds the global demand, which creates a large warehouse in Afghanistan and along the heroin routes, where there is enough heroin to meet the worlds demand for the next three years.

**47** During the year 2012 it was recorded that the surface area of plantation of opium in Afghanistan grew for about 15%, but the data indicate that the production reduced for 30%, which was caused by lower yields compared to previous years<sup>10</sup>.



<sup>8</sup> 2013, Report UNODC, „World Drug Report“

<sup>9</sup> All monetary estimations are approximate and presented in euro after conversion from U.S. dollars

<sup>10</sup> 2013, UNODC, “World Drug Report”

**48** The average price of heroin on the global level, during 2011, ranged in the following framework:

- 3000 euro for 1kg wholesale price in Afghanistan;
- 7000 euro for 1kg wholesale price at the border between Iran and Turkey;
- 15-20.000 euro for 1kg wholesale price in the Balkans;
- 30-40.000 euro for 1kg wholesale price In Western Europe (EU);
- 80 euro for 1 gr middle retail price In Western Europe (EU).

**49** A growing trend is the usage of naval and air traffic for smuggling Afghan heroin, as well as chemicals (precursors) for its production.

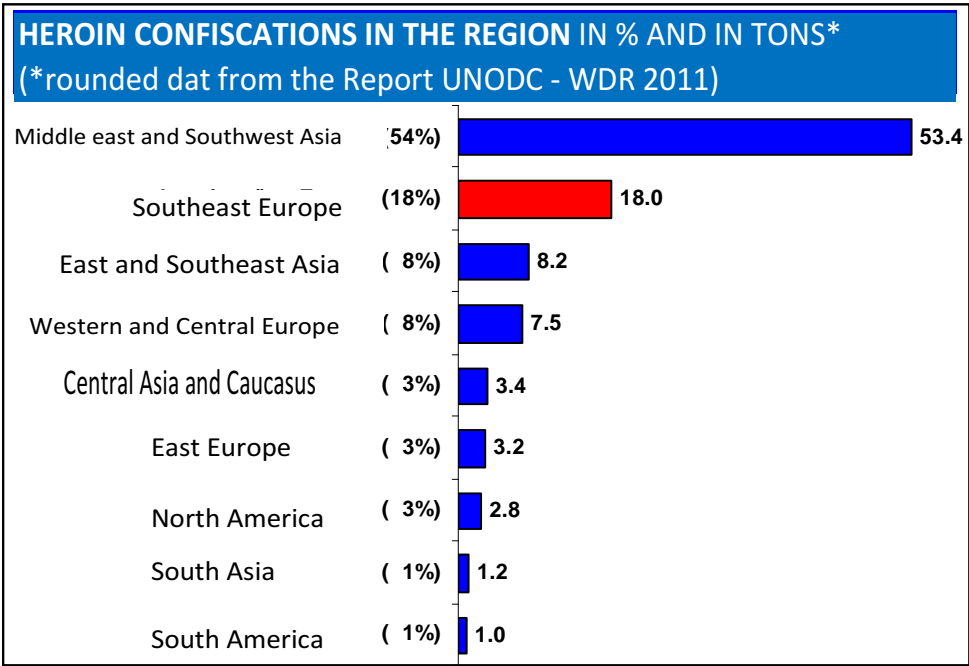
**50** Of the total amount of heroin produced in the world, 460-480 tons, about 20% is confiscated, meaning that 375 tons reaches the final users.

**51** This relatively low level of confiscations of heroin on the global level (in comparison to cocaine which is confiscated about 2/3 of the total world production) is probably a consequence of a more intensive use of container transport by ships for the smuggling.

**52** The smugglers use the inability to control all containers in the ports. Specifically, only 2% of the 400 million containers that each year travel around the world by ships, is inspected.

**53** The largest amounts of heroin in the world are confiscated in Iran, followed by the Southeast Europe area, where over 60% of all confiscations are concentrated, primarily due to Turkey and to a lesser extent Bulgaria and other Balkan countries.

**54** The amount of the confiscated heroin is followed by changes in the opium production with a delay of one year. The increase of the confiscations is mainly a consequence of the increased production in the world.



## Situation in the region, key routes and locations

***“It is estimated that for the transport of around 60 tons of heroin over the Balkan Peninsula and its further sale in the countries of the Central and Western Europe, all Balkan organised criminal groups together, gain a profit of around 1,5 billion euro a year.”***

**55** It is estimated that the heroin market in Southeast Europe has about 150,000 addicts who annually need about 5 tons of pure heroin. About 2,5-3 tons are used to settle the markets in four biggest countries, Turkey, Greece, Bulgaria and Romania, each of which has 20-30.000 heroin addicts<sup>11</sup>. The rest of about 2 tons per year is accepted by local markets of the Western Balkan who together have 30-60.000 heroin addicts.

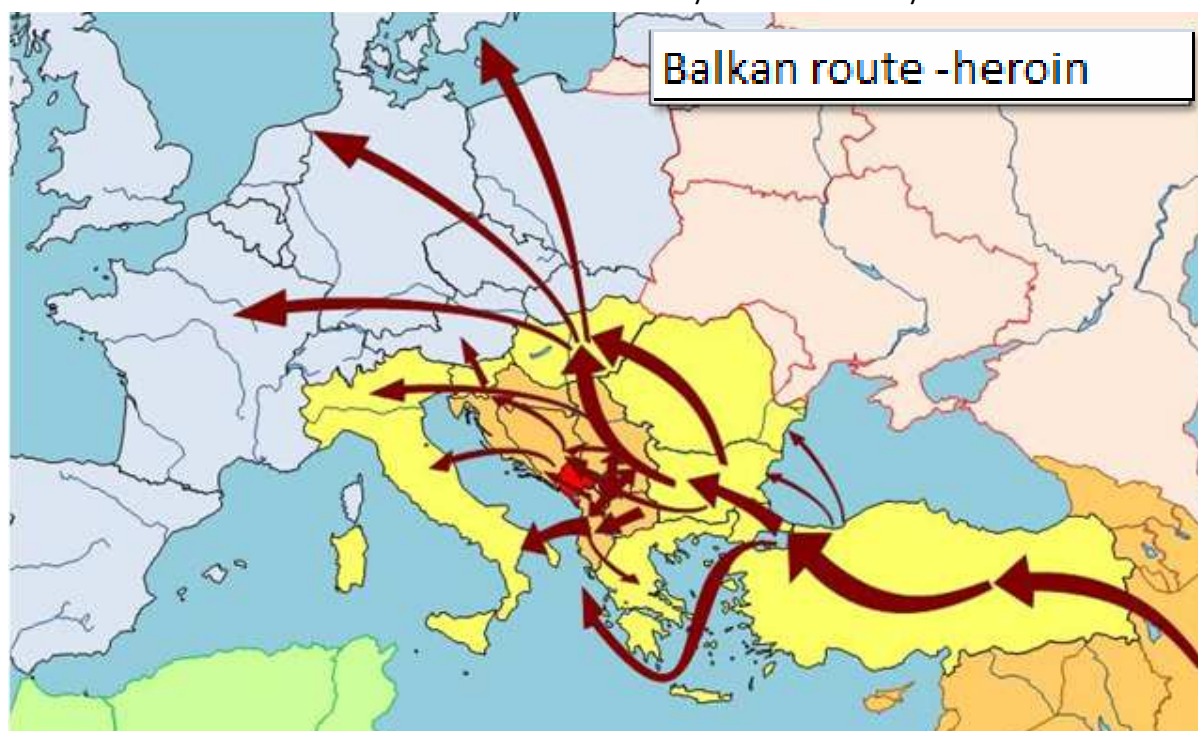
**56** The problem of heroin trafficking in Southeast Europe can only be described through its main feature, which is smuggling via the so-called “Balkan route”.

### **“Balkan route”**

*„Balkan route” – approximation of the main smuggling channels from the perspective of Montenegro*

**57** The “Balkan route” begins in Afghanistan and goes through Iran and Turkey. It is estimated that via this route the Balkan reaches about 65 tons of heroin per year, whereof 5 tons remain on the local market, 15 tons goes to the direction of Italy, and 45 tons to the direction of the Central and Western Europe countries, mainly UK, Netherlands, Germany, France and Belgium.

**58** The largest heroin amounts arriving in Turkey are directed towards Istanbul and through Istanbul mainly to Bulgaria and to a lesser extend to the Greek border<sup>12</sup>, mostly in trucks with food and perishable goods, so that they would not be hold by border guards at the border for inspection. On the border several truckloads can be extracted and controlled from total 3000-4000 trucks who pass on a daily level from Turkey.



<sup>11</sup> July 2011, Report UNODC, Threat Assessment „The Global Afghan Opium Trade”

<sup>12</sup> 2011, Report UNODC „World drug report”

**59** On the territory of Bulgaria, Greece and Macedonia, depending on the dominant direction of movement, two main directions are separating from the “Balkan route” for heroin smuggling, which continue to split on customisable smaller smuggling channels.

**60** Across the “Balkan route”, but also in the opposite direction, from Europe to the production areas in Asia, precursors for the production of heroin are smuggled, primarily “acetyl anhydride”.

**61** Heroin can be hidden in many ways as in the “means of transport” – which means that the drug is hidden in cavities or specially built for hiding places (e.g. in the trunk, underneath the upholstery left wall trunk, under the engine, the tires of cars) in storage or in several ways in the body of the couriers.

### The northern direction

**62** The main course of the north direction of the “Balkan route” leads through Bulgaria-Romania-Hungary, where it continues to spread to the countries of Central Europe. Austria, Slovenia, the Czech Republic or Slovakia. Hungary is a key reloading point for heroin and precursor on this direction, due to the position at the border of the Balkan and the Black Sea route. The north direction of the “Balkan route” together with the Black Sea route has the potential, due to its position within the borders of the EU (“Schengen”) and the road infrastructure, to expand even further and eventually receive a more important role not only in smuggling of heroin but also cocaine and illegal migrants. The mentioned direction relies on the route through the Black Sea, Central Asian countries, Azerbaijan, Georgia, the Russian Federation and Ukraine<sup>13</sup>.

### The central direction

**63** The main course of the central direction leads through Bulgaria-Serbia-Bosnia and Herzegovina-Croatia-Slovenia-Austria, while one part of it splits and leads through Macedonia and Kosovo, which is a particularly important location for storage, repackaging

and mixing heroin with other substances in order to increase quantities. According to data from the Police of Serbia<sup>14</sup>, where the major course of the “central direction” goes through, it is recorded that the trend of using this direction is decreasing by switching to alternative routes via the “northern direction” of the heroin route.

**64** Kosovo is a central point of the “Balkan route” where the central and southern direction of the route are crossing. Large quantities of heroin (stockpiling) are accumulated in Kosovo and depending on the demand it is returned towards the north to the Central Europe or towards the south through Albania to Italy.

**65** A smaller portion of heroin from Kosovo, intended for the Central Europe, in the area of Peć, is sent via the channel through the north of Montenegro, and the second part via the channel in the area of Gnjilani and Mitrovica towards Serbia. Both channels are again merged in Bosnia, where the heroin is once more stored before continuing through Croatia-Slovenia mainly towards Germany and to a lesser extent via this channel towards Italy.

### The southern direction

**66** The main course of the southern direction of the “Balkan route” is directed towards the heroin market in Italy which is worth around 2,5 billion euros per year, where mainly Italian and Albanian organised crime is dominant.

The heroin reaches Italy through the southern direction mainly via three channels:

Bulgaria-Macedonia-Kosovo-Albanian ports, Greece-Albanian ports or directly from Greece.

**67** The southern direction is known for having a portion of heroin, which reached Albania from Macedonia or Kosovo, returned to Greece by Albanian groups, probably to be sent via Greek ports to Italy or other overseas destinations.

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<sup>13</sup> SELEC OCTA 2013

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<sup>14</sup> National strategy for fighting organised crime in Serbia

**68** At this direction, the area of northern Albania – Shkoder surrounding, is especially risky for smuggling smaller amounts of heroin towards Montenegro and further Bosnia and Herzegovina and eventually towards Italy.

**69** The confiscations within the last few years indicate an equal utilisation of all direction of the Balkan route. Due to the geographical position, Turkey has an important role in the transit, storage and re-distribution of heroin. The alternative routes are also important, as the shipping via the sea become increasingly popular among OCG<sup>15</sup>.

#### **Profit from heroin along the Balkan route**

**70** The price of one kilogram of heroin at the border between Iran and Turkey amounts to around 7.000 euros, while the same kilogram of pure heroin on the Balkan costs about 15.-20.000 euros, which allows Turkish and Kurdish criminal organised groups to transport about 65 tons of heroin and generate a profit of around 800-850 million euros per year.

*The most common way of packaging heroin for smuggling*

**71** It is estimated that all Balkan organised groups together annually generate a profit of around 1,5 billion euros for the transport of about 60 tons of heroin through the Balkan Peninsula and with the further sale in the countries of Central and Western Europe.

**72** Individually the biggest part of the profit is generated by organised criminal groups with Albanian roots, which are most important for the transit across the southern and central direction of the “Balkan routes”, primarily due to having direct contact to the Turkish and Kurdish groups, which generate the greatest price difference of 25.000 euros per kilogram. The Albanian groups generate a profit of around 400 million euros only for the transportation and wholesale of around 15 tons of heroin in Italy, through the southern direction of the route.

**73** All other Balkan organised groups generate a smaller price difference of around 15.000 euros per kilogram, what makes their total profit after selling a contingent of 45 tons of heroin on the German and Netherland market, worth about 7500 million euros per year.



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<sup>15</sup> SELEC OCTA 2013

**74** The joint profit of the Balkan organised groups is further increasing when though criminals among migrants originating from the region of the Southeast Europe also the share of the street distribution of sales to end-users in Western Europe is added. Europol estimates that the most frequent groups in heroin trade within the EU are groups from Turkish and Albanian language countries.

### The situation in Montenegro

#### The biggest smugglers and suppliers

**76** In the area of smuggling and trafficking of heroin the most important role have the organised criminal groups from Kosovo or Albania, who control on the territories of these countries a large amount of drugs.

**77** The heroin smuggled across the territory of Montenegro mainly comes from Kosovo (Peć area) or Albania (Shkodra area), and is further distributed towards Bosnia and Herzegovina and Croatia. The flow of heroin between Montenegro and Serbia is recorded in a smaller amount in both directions.

**78** It is unlikely that the Albanian criminal groups can organise the smuggling of large quantities through the territory of Montenegro without cooperation of the local groups.

**79** The local organised criminal groups in Montenegro are likely to be bypassed and/or excluded in the future, from the land routes of heroin, from the Albanian organised crime, if they do not strengthen the “alliance” and offer favourable conditions for the transport of heroin through Montenegro, compared to the competition in the region.

**80** The reduction of the heroin smuggling from Kosovo through Montenegro will be impacted by the increased flow in other directions, especially the southern direction of routes through Albania, and its ports Drač and Vlora. The construction of the highway that directly connects Kosovo (Prizren) via Kukeš with the port Drač, and increased capacity and intensity of the trade and traffic through this

**75** apparently all OCG in the region are cooperating regardless of political, linguistic and other differences between the OCG.

port, which is the shortest direct connection with the Italian ports Brindisi (200km) and Bari (300 km), opens additional opportunities for Albanian organised crime to circumvent Montenegro and organise the heroin transport in directions that are completely under their control, to increase profits and reduce cost and risks.

**81** The negative consequence of these developments for Montenegro is that it increasingly becomes a market country from the prior transit country, as it is likely that from Kosovo smaller amounts of heroin mixtures suitable for street sale (500gr-1kg) will be transported, rather than larger amounts of purer heroin smuggling continuing to the west.

**82** The latest confiscations of heroin in Montenegro indicate by their quality and quantity that they were mainly intended for street sale, and not further smuggling towards the EU countries. This is also confirmed by less confiscations in the surrounding countries, of heroin which was transported through Montenegro, suggesting that this channel is used less and less.

**83** A special security problem for Montenegro would be the confirmation of the first part of our assumption H3 “the Organised crime in Montenegro is more turning to the domestic heroin market or other types of drugs, rather than the international smuggling of heroin”. This leads to a further expansion of the domestic market in Montenegro, increasing the number of users and heroin addicts, increasing the available quantity and lowering street prices, increasing the number

of local organised groups of dealers, violence in relation to the division of the territory, increasing the number of property and other crimes committed by addicts.

**84** These changes would directly negatively affect the situation in the society, especially the situations in the families of heroin addicts, criminals or victims of violence, their immediate environment and the local community.

### The local market in Montenegro

**85** In order to examine the impact that a certain external factor may have on a given area, in this case in the field of trafficking of heroin in Montenegro, it is necessary, even roughly, to estimate the size of the observed market. In order to measure the size of the illegal heroin market in Montenegro it is necessary to determine several basic parameters:

- Estimate the number of heroin addicts
- Estimate the needed quantity of heroin (average daily/yearly amounts)
- Estimate the retail and wholesale prices of heroin
- Estimate the profit

### Estimation of the number of heroin addicts in Montenegro

**86** For a rough estimation of the number of heroin addicts (NHA) the following formula was used:

$$\text{NHA} = \text{WCP} * \text{UAHU} \text{ while } \text{WCP} = 0.68 * \text{TP}$$

while:

**TP**=620.000 is the **total population** in Montenegro according to MONSTAT data.

**WCP**=421.600 is the **work capable population** in Montenegro or 68% from the total population of Montenegro, source MONSTAT.

**UAHU**=0.5% from the work capable population is the **upper average of heroin users** for the countries of the Southeast Europe (estimations UNODC).

**LAHU**=0.3% from the work capable population is the **lower average of heroin users** for the countries of the Southeast Europe (estimations UNODC).

**87** By using this formula it can be estimated that the rough number of heroin addicts in Montenegro is between:

$$\text{Min } 1.250 = 620.000 * 0.68 * 0.003$$

and

$$\text{Max } 2.100 = 620.000 * 0.68 * 0.005$$

### Estimation of prices, quantities and profits

**88** A rough estimation is that a heroin addict in Montenegro uses about 3 to 5 doses of heroin mixtures from the street sale, on a daily level. If we take into account that the amount of one dose of the mixture of 0.2-0.25g (so-called "kvoter") with a retail price of 10 euros in Montenegro, we arrive to a maximum amount of 0,6-1 g daily (priced 30-50 euros) or to 220-365 g (11-18.000 euros) of heroin mixture per addict per year.

*These figures are as outlined "rough estimations" based on assumptions and approximations of various parameters on the limit values, so that the final result can be used as a approximate indication of the scope of the problem, the size of the street markets and the profit that the organised crime generated by engaging in criminal activity, smuggling and distribution of heroin within the boundaries of the territory of Montenegro.*

### Assumptions for future development

If the trend of recording heroin mostly prepared for street sale in Montenegro continues, this could be an indicator for the following assumptions:

- H1** -Organised crime in the region has changed the routes that bypass Montenegro;
- H2** - Organised crime in Montenegro has modified and introduced the previously unknown entry points, routes or the method of transport of heroin, possibly by sea or by air, and
- H3** - Organised crime in Montenegro has more turned to domestic heroin market or other types of drugs, rather than international heroin smuggling.

### Indicators of the above assumptions can be:

- Larger heroin confiscation in Italy, with origin from ports in Albania and Greece (H1)
- Larger heroin confiscation in the ports of Black Sea and along the northern direction of the route ( H1 )
- More intensive direct contacts of Montenegrin smugglers with Turkish OCGs (H1 and H2)
- Frequent travel of Montenegrin smugglers to Turkey, Bulgaria or Greece (H1 and H2)
- Confiscation of heroin with a higher purity at the port, airport or the trains in Montenegro (H2)
- Increasing confiscations of other types of drugs in Montenegro (H3)
- Increasing the number of medical problems in Montenegro caused by heroin (H3)
- Increasing the number of property crimes committed by addicts (H3)

### Recommendations (for prevention, intelligence and operational-investigative activities)

**PR1:** To minimise the problem of the local heroin market, taking into consideration the limited possibilities of Montenegro to influence external factors - the inflow and reduction of the heroin supply in the region, except through intelligence information exchange, the efforts of all interested parties in Montenegro, in the next three to five years, should be focused with high priority on reducing the demand for heroin, by:

- a) **Prevention - reducing the number of existing and emergence of new heroin addicts** primarily through the unique program of continuous education and campaigns;
- b) **Repression - focused on local street heroin dealers** and reducing their manoeuvring, with constant supervision by all competent authorities, processing and limiting their financial power to continue with criminal operations.

**PR2:** In order to make the damage as high as possible and to reduce the power of organised criminal groups from (or with origins from) Montenegro, involved in the smuggling of heroin at the international level, it is necessary to work more **on increasing the confiscations of their heroin wherever it is in the world**. With this aim, the best results can be achieved by **increasing the exchange of intelligence information** with all countries along the "Balkan route".



### 3.1.2. Cocaine

*„The biggest damage Montenegro suffers due to the criminal activities of cocaine smuggling, which is operated worldwide by several dozens of criminals with origin from Montenegro, out of which a certain number are not Montenegrin citizens“.*

#### The global nature of the problem

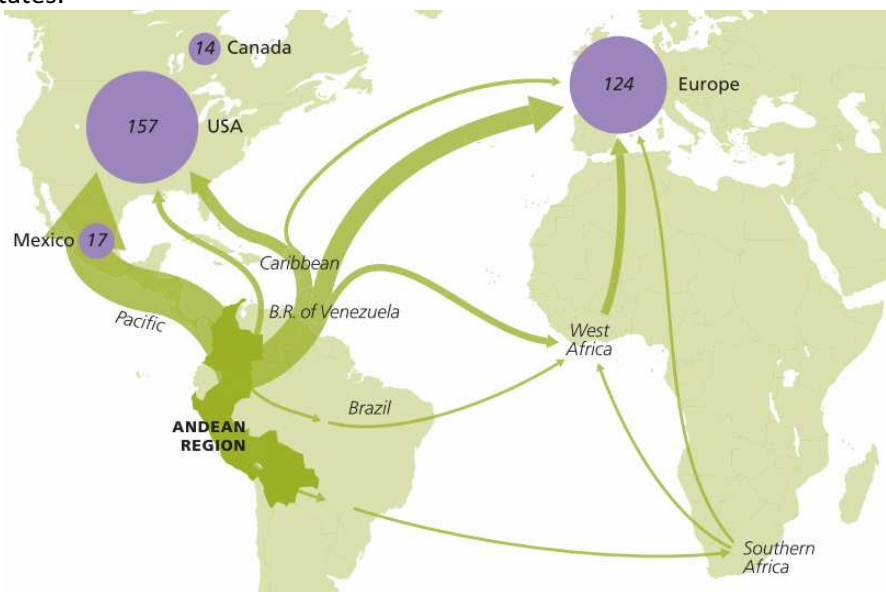
**89** Cocaine is the second most common drug in the world<sup>16</sup>, according to estimations from the United Nations between 15 and 20 million people regularly or occasionally use it, consuming between 300-400 tons of cocaine per year, thus creating organised crime turnover of around 70 billion euros<sup>17</sup>

**90** Cocaine is the most problematic drug in the context of violence associated with its smuggling, while being second, after heroin, according to health problems.

**91** Each year, between 850-1100 tons of pure cocaine is produced, almost all in the Andes Region in South America, but also about two thirds of this drug is confiscated, or 600-700 tons before the rest reaches the end-consumers. The largest quantities of confiscated cocaine are in Colombia, followed by the United States.

**92** Cocaine production is decreasing for already several years in a row. The total number of consumers at the global level is relatively stable, but it is characteristic that in the past 10 years, the number of consumers in the United States, halved, while demand in Europe almost doubled. It is estimated that of the total working population in Europe (aged 15-64 years) around 0.8% at least once during the year used cocaine, or about 4.5 million consumers, of which more than 90% concentrated in the West and Central Europe.

**93** According to the estimations of the United Nations<sup>18</sup>, out of the 124 tons of cocaine for Western and Central Europe, 86% is transported directly from South America, 13% through West Africa, and the remaining 1% through South Africa.



<sup>16</sup> Marijuana is the most common drug in the world

<sup>17</sup> All monetary estimates are approximate and are expressed in euro after the conversion of U.S. dollars

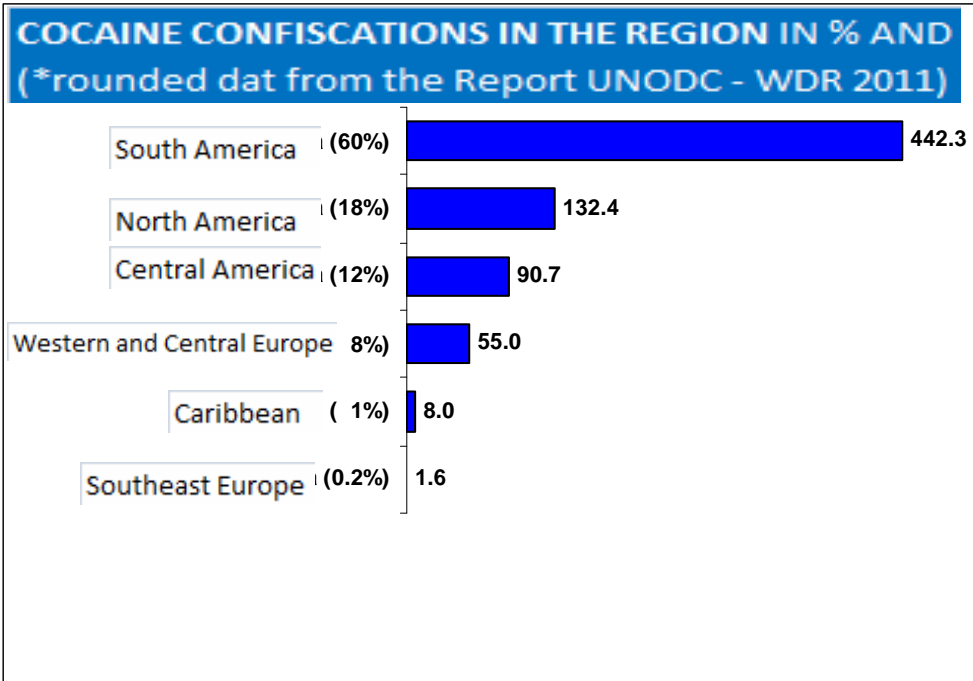
<sup>18</sup> 2011, Report of UNODC „World drug report“

**94** The most amounts of cocaine were confiscated in South America or during transport across the ocean before the unload on U.S. land or Europe. The largest quantities of cocaine have been transported to the target market directly via shipping container, shipments or to a rarely extent via airline transportation.

**95** The analysis of the confiscated cocaine indicate the trend of declining quality at the global level from 60% to 50% purity.

**96** The main points of entry of cocaine to Western Europe are Spain and Portugal, as well as a large port in the North, mainly in the Netherlands and Belgium.

**97** However in recent times the Region of Southeastern Europe and the Western Balkans has an increasingly important role in the organisation and transport of large quantities of cocaine.



## The situation in the Region, key routes and locations

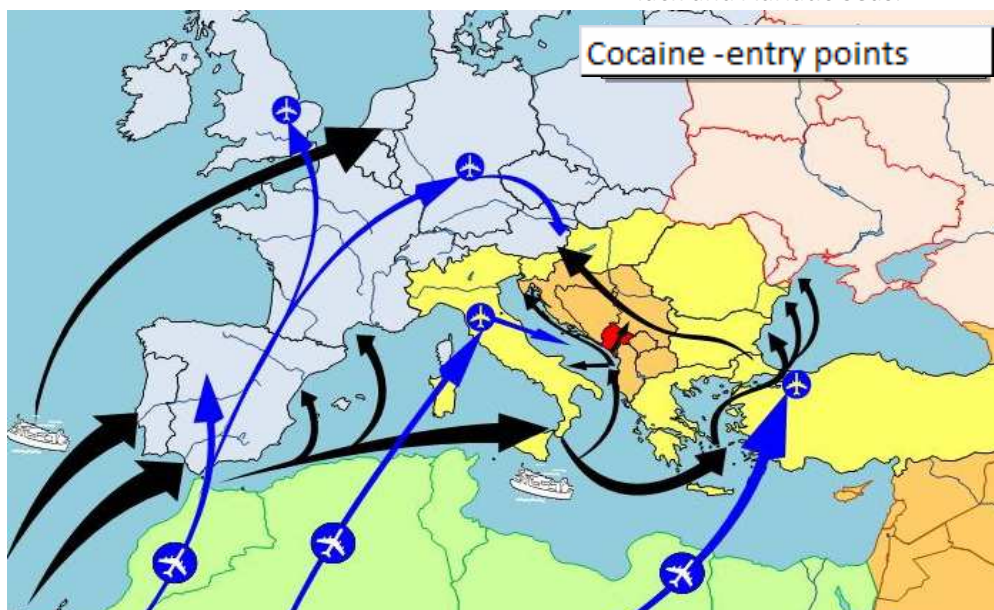
**„Although criminal groups operate with cocaine transport mostly far away from the Balkan, the danger is the "dirty money" which is earned by the smuggling of cocaine, which is returned to the organisers and members of the groups in the Balkans.“**

**98** Organised criminal groups from the Western Balkans involved in criminal operations with cocaine showed a trend of association on an international level. Smuggled cocaine is mostly not transported to the Region of Southeast Europe but directly from South America to Western Europe.

**99** In recent years, some Balkan organised criminal groups, often are oriented to operate with their main criminal activities outside the Region of the Balkans, which has become particularly characteristic for the smuggling and sale of cocaine. In the business of smuggling cocaine, Balkan organised criminal groups, mostly of mixed type, consisting of Montenegrin, Serbian and Croatian criminals appear as providers of the cross-ocean transport from South America or across West Africa, mostly directly to the ports in Western Europe, and rarely through the territory of South-Eastern Europe.

**100** In order to maximise their profits and gain control over their transport chain, organised criminal groups from the Western Balkans have set their members to cover all the key points of the cocaine route. Criminals from the Western Balkans can be found at locations in South America, where they have established direct contact with producers (South American cartels). They are present in the major reloading ports in South America, West Africa and Republic of South Africa, the main points of entry into the EU, primarily in Spain and the Netherlands, but also in all other major distribution centres and markets in Western Europe. On the Western European market, a trend has been registered that OCG with Albanian ethnic origin are increasingly turning to the business of selling cocaine.

**101** On the other side, the Balkan route<sup>19</sup> is becoming more and more interesting for cocaine trafficking in large quantities, particularly over the transshipment ports on the Black and Adriatic Seas.



Key points and cocaine entry routes for Europe from Montenegro's perspective.

<sup>19</sup> 2011 Report SEE-OCTA, SELEC

**102** According to estimations of Europol<sup>20</sup> in Southeastern Europe, Bulgaria is currently a transit point for maritime shipments from South America. In addition to the major ports in the Adriatic and the Black Sea, Varna in Bulgaria, Constanta in Romania and Odessa in Ukraine are very important transit points for the entry of cocaine from South America. In this field, Moldova appears as an important location for the storage and processing of cocaine.

**103** One part of cocaine originating from West Africa travels via the "Balkan route". A smaller quantity of cocaine from South America intended for Western Europe, is reloaded from overseas ships in the area of West Africa, in order to reduce the risk of detection by concealing the ship's country of origin of the consignment. For service of reloading, criminals in West Africa, from Senegal to Nigeria, usually receive one-third of the quantity of cocaine, which is distributed locally, or using couriers and air transport, they send smaller quantities to major European cities and more often Turkey, where cocaine again travels via inland transport of the "Balkan route".

**104** Organised criminal groups from Nigeria often have the main role in cocaine smuggling via air traffic. People from Nigeria also stay in the countries of the region where cell type criminal groups coordinate together with local members. The presence of smugglers in the region coming from the area of origin of cocaine, additionally represents a danger to the country in Southeastern Europe<sup>21</sup>.

**105** It is assumed that certain organised criminal groups which operate with heroin trafficking along the Balkan route could also be included in the cocaine smuggling, using the knowledge from opiates trafficking.

**106** Criminal groups from the Western Balkans commonly engage Montenegrin,

Serbian and Croatian citizens who are employed in international maritime companies, and who as sailors on overseas ships transmit cocaine from South American ports to the EU (usually sailing on container ships of the company MSC<sup>22</sup>), or drop it in the ports or in the sea near coastal zone along the Adriatic coast, where it is awaited by the local criminal groups in smaller boats.

**107** Specialists in some groups are responsible for recruiting, scheduling and boarding of the sailors on desired shipping lines. Quantities are in the range from 50 to 500 kg.

**108** Over the territory of Albania, cocaine was smuggled on a minimal level. These are mainly postal shipments which are reaching Albania from U.S. or directly from the countries of South America, and mainly are assigned for the local market, while some smaller quantities are sent further to Greece and Italy.

**109** Neither for Macedonia, smuggling of cocaine was not a serious threat so far, primarily because of high price and low market demand, comparing to heroin and marijuana. There have been recorded some cases of cocaine smuggling via courier from the countries of South America, who often bring cocaine to Macedonia over the biggest airports in Europe and then supply the domestic market.

**110** In almost all countries of the Western Balkan, it is recorded that cocaine is smuggled via letters, postal shipping or courier, so called „mule“, who swallow cocaine and bring it with themselves or in the luggage with staff imbibed with cocaine or in cocaine paste form. Almost always, for this way of smuggling, air transport is used, flights which are arriving over the big European airports (Frankfurt, London, Milano, Istanbul), and usually it is related to quantities of less than 1 kg.

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<sup>20</sup> 2011 Report of Europol EU-OCTA "Serious and Organised Crime Threat Assessment"

<sup>21</sup> SELEC OCTA 2013

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<sup>22</sup> MSC Mediterranean Shipping Company, one of the biggest world companies for containers transport

## The situation in Montenegro

***„Because of the widespread network of contacts at key points, where criminals with origin from Montenegro are partly engaged in organisation of smuggling and distribution of cocaine, the consequences of a failed job, errors or frauds that took place in Brazil, Spain, South Africa and Senegal, may have resulted in violence against group members or close associates in the territory of Montenegro“***

## The biggest smugglers and suppliers

**111** For the countries of Western Balkan, such as Montenegro, Croatia and Serbia, cocaine smuggling represents a serious threat. Although criminal groups organise the transport of cocaine far away from the Balkan, the real danger itself is represented by the "dirty money" earned from cocaine smuggling, which is returned to organisers or to one part of the members of the groups. In this way the leaders and members of organised criminal groups in the countries of origin, increase their power and wealth which is very hard to connect to the criminal actions committed abroad.

**112** Within the cocaine smuggling, criminals with origin from Montenegro are often members of organised criminal groups of the mixed conformation, where they together with Serbian and Croatian criminals operate on international level. Other local organised criminal groups centralised in Montenegro which operate with cocaine, cooperate very closely with certain groups in Serbia and Montenegro.

**113** The biggest influence on the situation in Montenegro could have the situation in the criminal structure in Serbia, primarily related to the biggest cities, because of strong relations and close connections of the groups from Montenegro and groups from Serbia in which certain number of members are originally from Montenegro. Every serious conflict between the members of organised criminal groups with origin from Serbia or Croatia which operate with cocaine smuggling on the international level or its distribution to Western Europe, could be spread in Montenegro, due to the strong relations.

**114** Because of the widespread network of contacts at key points, where criminals with origin from Montenegro are partly engaged in organisation of smuggling and distribution of cocaine, the consequences of a failed job, errors or frauds that took place in Brazil, Spain, South Africa and Senegal, may result in violence against group members or close associates in the territory of Montenegro. This violence is channelled to certain members of the organised crime, with the motive of revenge, pay back or discipline, thus the problem is limited on the criminal population. Although limited, it is not a simple task to resolve this problem, to decrease or to stop the violence to be committed, as the causes, or activating mechanism, are often outside of the borders of Montenegro.

**115** The biggest damage Montenegro suffers due to the criminal activities of cocaine smuggling, which is operated worldwide by several dozens of criminals with origin from Montenegro, out of which a certain number are not Montenegrin citizens. In one hand, they are destroying the international reputation of Montenegro, and in another hand, they legally invest big quantities of the money coming from illegal activities abroad, with a consequence that organised criminal groups increase their financial power and influence.

### The local market in Montenegro<sup>23</sup>

**116** In order to review the influence of external factors on the area of cocaine trafficking in Montenegro, it is primarily necessary to roughly estimate the size of the observed market.

#### Estimation of the number of consumers in Montenegro

**117** For the rough estimation of the number of consumers of cocaine (NCC), the formula used is as follows:

$$\text{NCC} = \text{RSS} * \text{ANCC while WCP} = 0.68 * \text{TP}$$

While:

TP=620.000 is the total population in Montenegro according to MONSTAT.

WCP=421.600 is work capable population in Montenegro or 68% from the total population of Montenegro, source - MONSTAT.

ANCC=0.8% from the total of work capable population is average number of the cocaine consumers in Europe (UNODC).

**118** By using this formula, a rough estimation of the number of persons who have at least once during the preceding year used cocaine in Montenegro, can be made in the amount of 2100 (for 0.5%) up to **3.370** =  $620.000 * 0.68 * 0.008$ .

**119** Taking into account the current economic situation and forecasts in this area, it is unlikely that the number of domestic consumers of cocaine in Montenegro will increase in the next few years in a larger volume. Local or seasonal fluctuations are possible, but to a lesser extent as a result of the effect of crime in the region, and to a higher extent as the consequence of internal factors conditioned by the development of

specific content in Montenegro. Increased concentration of foreign wealthy clientele in a small space, as it is Tivat after opening the port for mega yachts, may result in an increase of the local supply for illegal parties which include cocaine and prostitution, going hand in hand with an increasing demand.

#### Estimation of the prices, quantities and profit

**120** United Nations has estimated that the average quantity of cocaine consumed by one consumer during the year is 30 grams.

**121** The selling price of cocaine on the local market in Montenegro is in the range of 80 to 100 EUR per 1 gram and 30.000 to 40.000 per 1 kg.

**122** The price for one gram of cocaine on the market of Montenegro (80-100 EUR), is higher than on markets of Western Europe, where the average price is around 75 EUR per gram. This points out a low supply in Montenegro, i.e. that cocaine is not available in big quantities on the local drug market, or at least is available in lower quantities than in the west of Europe.

**123** High price and low supply also could point out that international organised criminal groups which operate with cocaine smuggling, do not use the territory of Montenegro for transport of cocaine in the extent that was assumed, but rather to a lower extent.

**124** A relatively small and limited market in Montenegro, is the most probable key factor, which refocuses the operations of the majority of the organised criminal groups from this territory, which operate with cocaine smuggling, to other destinations abroad, far away from the borders of Montenegro, where they could earn much more.

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<sup>23</sup> Rough estimation for the same purpose is made by the same method as it was made for heroin (see previous chapter)

### Profit abroad

**125** From the final price of 1 kilogram of cocaine, with average street value of EUR 75-80.000 in Western Europe, the share of all in the manufacturing, smuggling and distributive chain is as follows:

2% or EUR 1500 to 2000 goes to manufacturers and sellers in South America

25% or EUR 18-20.000 goes to reloading, ocean transport and entry into Europe

17% or EUR 12-13.000 goes to storage, sale and distribution to local dealers

56% or EUR 42-45.000 goes to street dealers for sale to the end user in the market.

**126** Taking into account the pricing frameworks, assuming that an average organised criminal group from the region, working for other groups (provides services of procurement, transportation, entry into Europe, storage and delivery to dealers to target Western European market), if it transfers a total of 500-1000 kilograms of cocaine (about 1 per mill of world production) several times during one year, it can achieve an annual profit of between **EUR 15 and 30 million per year**.

**127** If the same organised criminal group in the Western European market also participates in blending and repackaging (dilution with other substances), it can double the quantity and increase the total profit to **EUR 30-50 million per year**.

**128** Participation in the street sale at the local level in Western European cities (which is very unlikely for quantities of hundreds of kilograms given the reaction of local competition) would increase the profit to the same organised criminal group to **EUR 70 to 100 million per year**.

**129** The difference in profit that can be achieved from cocaine abroad from the potential profit in Montenegro (ten or more times) clearly indicates the motive why most of organised criminal groups from Montenegro, as well as many criminals abroad, originating from Montenegro, have chosen to conduct their operations far beyond the borders of our country or region.

**130** The prediction is that in the following years OCGs from this area which are engaged in criminal activities with cocaine will mostly continue to use the same proven successful methods with probably less variation in order to avoid the control of the law enforcement authorities.

**131** Taking into account the high price, there is the possibility of reducing the cocaine market, which would be replaced by alternative drug that is sold at a lower price, for example "legal stimulants" from China<sup>24</sup>.



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<sup>24</sup> SELEC OCTA 2013

### Assumptions for future development

We assume some of the following scenarios:

- K1** - Organised crime from Montenegro (in cooperation with Serbian and Croatian groups) has continued unabated to participate in smuggling of cocaine on the route South America - Western Europe, but has significantly changed routes and methods;
- K2** - Organised crime from Montenegro is more involved in the smuggling of cocaine via the "Balkan route" or the Black Sea;
- K3** - Organised crime from Montenegro more widely uses the territory of Montenegro for the transit of cocaine.

### Indicators of the above assumptions can be:

- Travel or a longer stay of Montenegrin criminals in South America or Africa (K1);
- Continued arrests of seafarers from these areas on board ships with cocaine (K1,K2);
- Increased interest of seafarers for ships that sail the Black Sea (K2);
- Discovered ship with cocaine and our seafarer on the route along East Africa, through Suez Canal, Eastern Mediterranean or Black Sea (K1,K2);
- More frequent travels of Montenegrin smugglers to Greece, Turkey, Bulgaria, Romania or Ukraine (K2)
- Finding cocaine on board a ship or yacht in the Adriatic, which sailed from or to Montenegro (K3);
- Confiscation of heroin with a higher purity in Montenegro, especially on the coast (K3);
- Decrease in street price of cocaine in the local market in Montenegro (K3);
- Members of OCGs originating from Montenegro are associated with ownership or operation of commercial vessels or private airline company (K1, K2, K3).

### Recommendations (for preventive, intelligence and operational-investigative activities)

**PR3:** In order to solve the problem with the international dimension of smuggling cocaine, which is created by political and diplomatic problem in the country and international relations, it is necessary to make further efforts to increase the intensity of the targeted collection and exchange of intelligence information with other countries about a relatively small number of people originating from Montenegro, who are involved in cocaine operations, namely to:

- a) **Intensify collection of intelligence information** about the activities of our "known" criminals and their associates abroad **using diplomatic-consular network** and stronger contacts with the Montenegrin diaspora;
- b) **Intensify the submission of intelligence information to foreign partner law enforcement authorities** about involvement of our citizens and people originating from Montenegro in international cocaine smuggling operations;
- c) For the purpose of better control of targeted collection of intelligence information abroad and more efficient direct exchange with partners, in the following two years **build a network of Montenegrin police liaison officers\*** by appointing them at least to the following points:
  - Brazil, for the area of South and Central America and the Caribbean
  - The Republic of South Africa, for South and West Africa
  - Spain, for South West Europe and North Africa
  - The Netherlands, North West Europe and the Nordic countries
  - Turkey, for Eastern Mediterranean, the Black Sea and the Middle East

(\*One liaison officer has already been appointed to Romania for South East Europe - SELEC)

In the short term this method of work is relatively financially demanding (expensive), but in the period of 3 to 5 years, it can cause great damage to organised criminal groups originating from Montenegro, which mostly operate abroad. Helping initiation of actions, arrests, seizure and prosecution abroad opens additional possibilities to confiscate property to their associates and related persons in Montenegro, out of which further operation of the police liaison officers network could be financed. On the other hand, this approach will have multiple, non-quantifiable benefit for Montenegro, as it will significantly increase the international rating of both the police service and the state. Price of solving this problem is much smaller than the damage that the problem creates to the state of Montenegro.



### 3.1.3. Marijuana

*“The proximity of Albania as the country of manufacturers negatively affects the fact that marijuana is present in the local market in Montenegro in sufficient quantities, at a low price, and easily accessible to the younger population, the high-risk category for this type of drug.”*

#### Global nature of the problem

**132** Marijuana is manufactured in almost every country in the world, that is on a global scale and it is the most prevalent illegal drug in the world, which has up to 200 million users.

**133** According to estimates of the United Nations<sup>25</sup>, marijuana is also the most prevalent drug in Europe, used by slightly more than 5% of the working age population (5.2%-5.3% between 15-64 years of age). According to the same UN estimates, the average percentage of the number of marijuana users in the Western Balkans is slightly lower, lowest in Montenegro to a maximum of 2%, and highest in Croatia to 5.2%.

**134** The most common countries from which marijuana comes to the European market are Morocco and Afghanistan, while, to a lesser extent, it also comes from European countries, the Netherlands, Spain and Albania. Manufacture of marijuana within Europe is increasing in recent years, mainly through cultivation indoors.



#### **135 Profile of an average marijuana user**

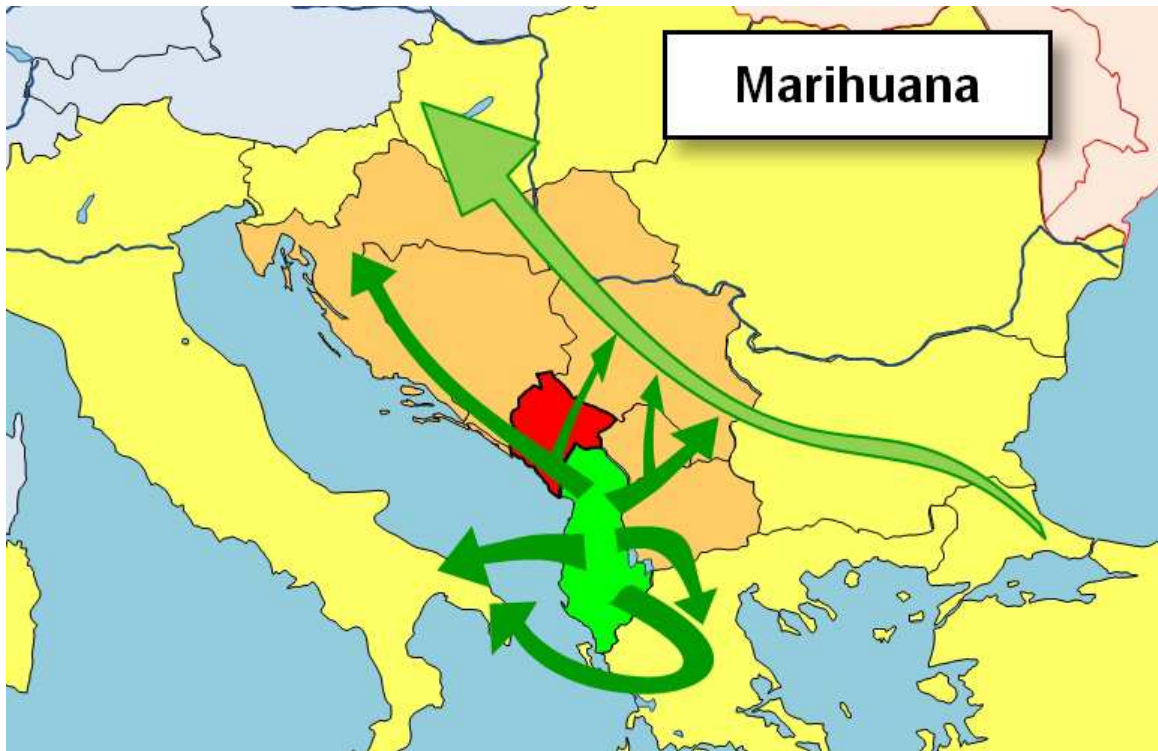
According to a survey conducted abroad during the past decade, the profile of an average marijuana user is as follows:

1. Most commonly a secondary school student or a younger man, (30% of all users are under the age of 17);
2. Not employed (student or unemployed);
3. Has started using marijuana very young, (more than 50% start before the age of 14, and almost 90% start before the age of 18).

<sup>25</sup> 2011, UNODC “World Drug Report”  
(Profile of marijuana user on page 181)

### Situation in the region, key routes and locations

***“Albania is the largest manufacturer of marijuana in this part of Europe. Marijuana from Albania is mainly distributed to Greece and Italy, and to a lesser extent towards Montenegro and Kosovo and further via the “Balkan route” in the countries of Central Europe.”***



**136** Marijuana which comes from Afghanistan, Pakistan and India is already trafficked via the "Balkan route". Procurement from these countries and the Balkan route will become even more important in the following years, if the trend of decline of cannabis cultivation in Morocco continues, which has so far been the largest supplier of Western Europe.

**137** On the territory of South East Europe and the Western Balkans, there is cultivation of cannabis outdoors and indoors. There is also a trend that criminal groups use unenviable position of the vulnerable population, mostly senior citizens, threatened by the economic crisis, who are for them engaged in cultivation of cannabis outdoors in rural areas.

**138** Organised criminal groups of Albanian ethnic origin have the most important role in the supply of marijuana of South East Europe, and the smuggling of marijuana from Albania

has recently become an important regional security problem.

**139** Albania is the largest manufacturer of marijuana in this part of Europe. According to data of the Italian financial police, about 500 cannabis plantations have been discovered in the territory of Albania, out of which 1000 tons of marijuana can be manufactured, with an estimated value of around EUR 4.5 billion. Marijuana from Albania is mainly distributed to Greece and Italy, and to a lesser extent towards Montenegro and Kosovo and further via the “Balkan route” in the countries of Central Europe. Organised criminal groups of Albanian ethnic origin exchange a part of marijuana for heroin in Turkey.

**140** Smugglers use passenger vehicles for transport of smaller quantities, while larger quantities of cannabis are transported by trucks.

**141** The cultivation of cannabis was previously a widespread problem throughout the territory of Albania, but it is currently concentrated on a few limited locations. One area is between Skadar and Lezhe, the other northeast of Tirana and two areas are between Vlore and Gjirokaster. Intensive efforts of the Albanian police to detect and destroy illegal plantations of cannabis - marijuana (between 70-100.000 plants each year) have certainly contributed to reduction of this problem in recent years.

**142** The main branch of smuggling marijuana from Albania is directed to Italy, directly or through Greece, and to a lesser extent from Macedonia back to Greece and Italy.

**143** According to estimates of the Italian police, during 2011, smugglers from Albania sent about 20 tons of marijuana to the area of Puglia on the Italian coast of Otranto passage. There has also been a slight change in the methods and routes, so large quantities of marijuana (1-2 tons) are recently smuggled in individual vessels from Albania to Italy, while smaller quantities of marijuana (100-200 kg) and other types of drugs, primarily heroin, are smuggled in vehicles on line ferries. It has also been recorded that Albanian smugglers occasionally leave marijuana along the Italian coast to float in the sea in separate plastic bags, usually in quantities of up to 100kg.

**144** Increased intensity of numerous joint actions of Albanian and Italian law enforcement authorities resulted in confiscation of nearly 9 tons on smuggling channel across the Otranto passage, out of which 4.5 tons on the coast of Puglia in Italy and more than 4 tons in Albania, only in the first six months of 2012.

**145** Other smaller branch of smuggling marijuana manufactured in Albania leads towards Kosovo and Macedonia. Marijuana is usually sent to Kosovo for further transport to Serbia and connection to the central branch of the Balkan route that leads to Western Europe, while from Macedonia it is transported to Greece or countries in the region.

**146** Marijuana is also manufactured in Macedonia, mainly for the domestic market, and it is mainly cultivated in hardly accessible mountain areas in the west and northeast of the country.

**147** The third branch of smuggling marijuana from Albania goes through Montenegro and further, through Bosnia and Herzegovina and Croatia, towards the countries of Central and Western Europe. Marijuana such as "skunk"<sup>26</sup> is mainly smuggled via this direction.



<sup>26</sup> Skunk – name of the type of genetically modified marijuana with a high percentage of THC.

## Situation in Montenegro

**148** Due to the relatively easy availability of marijuana such as "skunk" in neighbouring Albania and the possibility to quickly gain profit in a relatively short distance, smuggling "skunk" through Montenegro has become a criminal activity in which new, usually temporarily associated individuals are mostly involved.

**149** When transferring marijuana from Albania to Montenegro, smugglers use official border crossing points, but also land "green" border which they cross at poorly controlled areas. When leaving from Montenegro to Bosnia and Herzegovina and further to Croatia, smugglers usually cross at official border crossing points by cars or trucks in which marijuana is hidden in specially prepared "bunkers" or among other goods. Confiscations in the past year show that mainly between 10 and 20 kilograms are smuggled in passenger vehicles, while between 50 to 100 kilograms of "skunk" are smuggled in freight vehicles.

**150** The main direction of smuggling marijuana such as "skunk" through Montenegro leads from the Albanian border in the surroundings of Podgorica to Niksic or Herceg Novi, and further to Bosnia or Croatia. Rarely used route for entry of marijuana is from the direction of Kosovo to Rozaje. Smaller quantities of marijuana, compared to the main direction, are transferred through the northern part of Montenegro from Pljevlja and Bijelo Polje, towards Bosnia and Herzegovina in the direction of Sarajevo, or towards Serbia in the direction to Prijepolje.

**151** Smuggling and sale of skunk generate large profits, which is the main motive for association and cooperation of criminal groups from Montenegro with groups in Albania, Bosnia and Herzegovina, Croatia and Serbia. Consequence of relatively easy availability and the possibility of large profit for transport at short direction of 100-150 kilometres through Montenegro is a strong motive for local groups and individuals to continue this work. Some criminal groups dealing with distribution of heroin have recently also begun to deal with smuggling of skunk to a greater extent.

## Local market in Montenegro<sup>27</sup>

### Estimated number of users in Montenegro

**152** If we take into account the latest estimates of the United Nations for countries of the Western Balkans in relation to which Montenegro has had a relatively low percentage of marijuana users of 2% and compare this to the neighbouring countries, Bosnia and Herzegovina almost 3%, Serbia 4% and Croatia about 5% of the total working-age population, we can assume according to the most negative prediction that there will be an increase in the number of marijuana users at the 4-5% level in the following years in Montenegro. In numbers, this could mean an increase in the number of users from 8.500 to 16-17.000.

**153** The upper limit of the estimate of 5% of marijuana users is also in accordance with the ESPAD<sup>28</sup> survey which ranks Montenegro among countries with the least-represented marijuana use among secondary school students (15-16 years of age). European countries with minimum use of marijuana according to this survey are in the Balkans and Scandinavia.

### Estimation of prices, quantities and profit

**154** The proximity of Albania as the country of manufacturers negatively affects the fact that marijuana is present in the local market in Montenegro in sufficient quantities, at a low price, and easily accessible to the younger population, the high-risk category for this type of drug.

**155** It is very difficult to determine the market volume of the necessary quantity of marijuana for the local market in Montenegro and thus the profit that is achieved. For street sale, marijuana is usually taken in quantities between 0.5 kg to 1 kg, for which the price

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<sup>27</sup> A rough estimate with the same purpose and made by the same method as for heroin and cocaine

<sup>28</sup> 2011 ESPAD Report "Substance Use Among Students in 36 European Countries "

varies from EUR 850 in the area of Tuzi, near the border with Albania, and up to EUR 1500 in coastal cities of Budva and Herceg Novi during the season.

**156** From local "street dealers" skunk users acquire the so-called "cat" (skunk in packs of 1-2 grams), which is sufficient for the daily intake of an average user. By selling 1 kilogram of marijuana such as skunk at the local "street" market in Montenegro, criminals can achieve an average profit of EUR 3000-4000.

**157** In the estimate of the size of the local marijuana market in Montenegro it is not easy to calculate the total quantity of marijuana necessary to meet the needs of domestic users. Primarily it is difficult to calculate the average annual quantity necessary for an average user.

**158** Only a quarter of users take marijuana every day. These are mostly irregular intervals depending on the person's environment and mood. In the absence of other data, the projection for Montenegro, with minor adjustments for ease of calculation, has been made based on the results of international surveys<sup>29</sup>. If we assume that the frequency of use and the quantities of marijuana in Montenegro are shown in the table below, we get the following results:

**159** According to this calculation, the local market in Montenegro has approximately 8500 temporary or permanent users, who annually need about 1 ton of marijuana.

**Profit from smuggling through Montenegro**

**160** Depending on the quality and type of marijuana, the price along the smuggling route ranges within:

- EUR 400 - 800 for 1 kilogram in the territory of Albania
- EUR 1000-1200 for 1 kilogram in the territory of Montenegro
- EUR 1500-1800 for 1 kilogram in the territory of Bosnia and Herzegovina
- EUR 2000-2500 for 1 kilogram in the territory of Croatia
- EUR 7000-8000 for 1 kilogram in the EU territory - Western Europe

**161** According to these indicators, there is an evident almost regular pattern that each border crossing raises the average price of one kilogram of marijuana for EUR 400-500, most of which goes to profit of smugglers (EUR 300-400), and less to expenses of hiding and transport.

**162** Increasing the quantity procured and smuggled reduces the purchase price and thus increases the profit. For quantities of 10 or more kilograms, the price of marijuana such as skunk in the border area between Montenegro and Albania decreases to the amount of EUR 700-850 per kg.

Usage	Percentage	Users	Units	Annually	Total
every day	26%	2200	1 gr per day	365 grams	803 kg
2 times per week	22%	1800	2 gr per week	104 grams	187 kg
2 times per month	17%	1500	2 gr per month	24 grams	36 kg
once in two months	35%	3000	6 gr per year	6 grams	18 kg
<b>Total</b>	<b>100%</b>	<b>8.500*</b>			<b>1.044 kg</b>

*\*8.500 users = 2% of working age population between 15-64 years of age (620.000\*0.68\*0.02.)*

<sup>29</sup> 2011, UNODC "World Drug Report" (Profile of marijuana user on page 181)

**163** Several organised smuggling groups in Montenegro smuggling skunk as their primary or secondary activity have been registered in the previous period. After the realisation of large-scale police operations to break up these groups, skunk smuggling through Montenegro has lately been taken over to a large extent by individuals, some even without previous criminal record, who probably affected by the economic crisis seek solution to their financial problems in fast and easy money by temporarily associating in smuggling. Based on recent arrests and confiscations, it is estimated that more than half of the total quantity of skunk is smuggled by smaller groups of temporarily associated individuals.



### Assumptions for future development

Given the large offer, that is the availability of marijuana from Albania, and given that the demand for marijuana is not decreasing, we assume some of the following scenarios:

**M1** – The intensity of skunk smuggling via land from Albania through Montenegro for Bosnia and Herzegovina and Croatia will increase, primarily by temporarily associated individuals;

**M2** – Port of Bar will be more intensively used for the smuggling of skunk hidden in vehicles boarding the line ferries to Italy;

**M3** – The number of marijuana users in Montenegro will increase to the European average;

**M4** – The cultivation of marijuana in Montenegro indoors and outdoors will increase.

### Indicators of the above assumptions can be:

- Increased quantity of skunk found on route to Bosnia and Herzegovina and Croatia at smugglers who are not members of organised criminal groups (M1);
- Finding marijuana hidden in a vehicle that boarded or is about to board a ferry from Montenegro to Italy (M2);
- Increased number of vehicles going from Albania to Italy through the Port of Bar (M2);
- More frequent travels of Montenegrin skunk smugglers to Italy (M2);
- Increased quantity of marijuana found at minors (M3);
- Increase in the number of criminal offences or traffic accidents under the influence of marijuana (M3)
- Destroying cannabis plantations in Albania (M4)
- Increased percentage of marijuana plants found in Montenegro (M4)
- Finding laboratories for cultivation of marijuana in Montenegro (M4).

### Recommendations (for preventive, intelligence and operational-investigative activities)

**PR4:** In order to reduce the problem of the local marijuana market, given the limited possibilities to influence the external factors from Montenegro - inflow and decrease in supply of marijuana from Albania, other than through the exchange of intelligence information, efforts of all stakeholders in Montenegro in the following 3 to 5 years should be preferably focused on decrease in demand for marijuana among younger users by:

- a) Prevention, with the focus on the risk category of new users (12-15 years of age);**
- b) Repression, aimed at local dealers of marijuana to minors.**

**PR5:** Increase exchange of intelligence information with neighbouring countries, primarily with Albania, in order to decrease the scope of skunk smuggling through Montenegro.

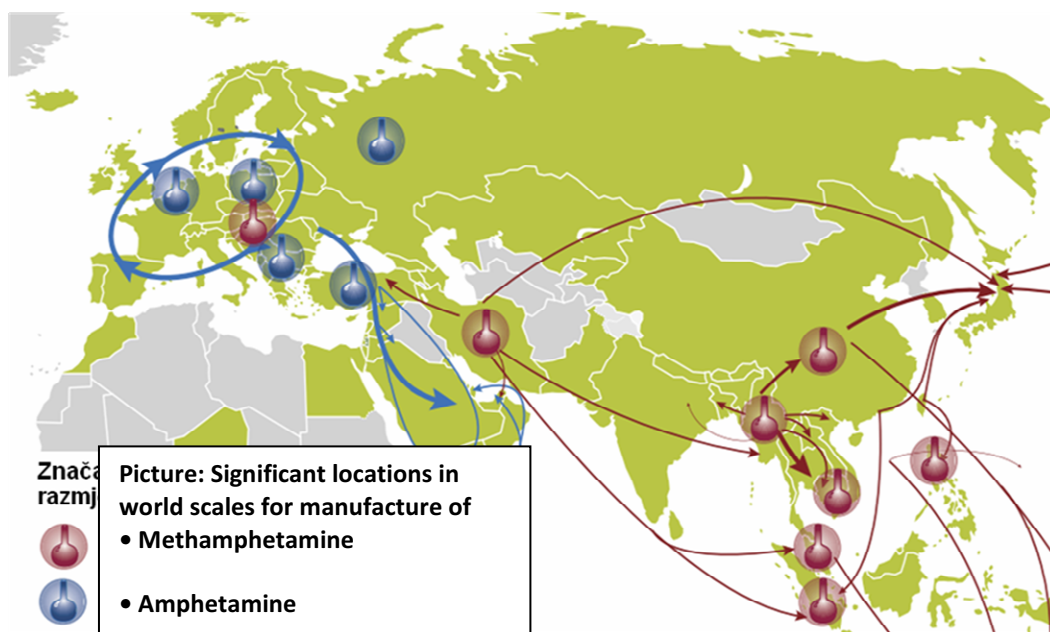
### 3.1.4. Synthetic drugs

#### Global nature of the problem

**164** Unlike the manufacture of heroin and cocaine that is tied to specific locations, manufacture of synthetic drugs is not geographically limited. Laboratories for synthetic drugs are usually closer to their market, while precursors and other chemicals needed for the manufacture are often smuggled through regions. World trend of manufacture of synthetic drugs is that the manufacture is transferred to those countries where the control of precursors is not strong. In the following period the importance of Asian countries such as China, India and Pakistan will be greater, because of the strong chemical industry and large export of precursors.

**167** A particular problem is the increase in trafficking of synthetic drugs on the internet.

**168** For a long time, the Netherlands has globally been the best known country for manufacture of synthetic drugs such as **amphetamine and ecstasy**. Manufacture of amphetamine in Europe is increasingly spreading to Poland and the Baltic countries, Lithuania and Estonia. The main markets in Western Europe are in Germany, the Scandinavian countries and the United Kingdom.



**165** Out of the total quantity of confiscated synthetic drugs in the world, approximately 65 tons, primarily of amphetamine, almost two-thirds are confiscated in the Middle East and Asia.

**169** Europe is the fifth largest area according to the number of users of synthetic drugs with nearly 4 million users of ecstasy and 3 million users of amphetamine.

**166** It is also registered that smugglers before transport convert known precursors in new uncontrolled chemicals, which they once again in chemical process re-convert into precursors when they arrive to desired destination.

**170** According to estimates of Europol<sup>30</sup>, manufacture of amphetamine in the European Union countries is increasing, probably as a consequence of the limited availability of ecstasy. Also, the demand in the countries of the Middle East has increased, which has led to

<sup>30</sup> 2011 EUROPOL, EU OCTA Report "Organised Crime Threat Assessment"

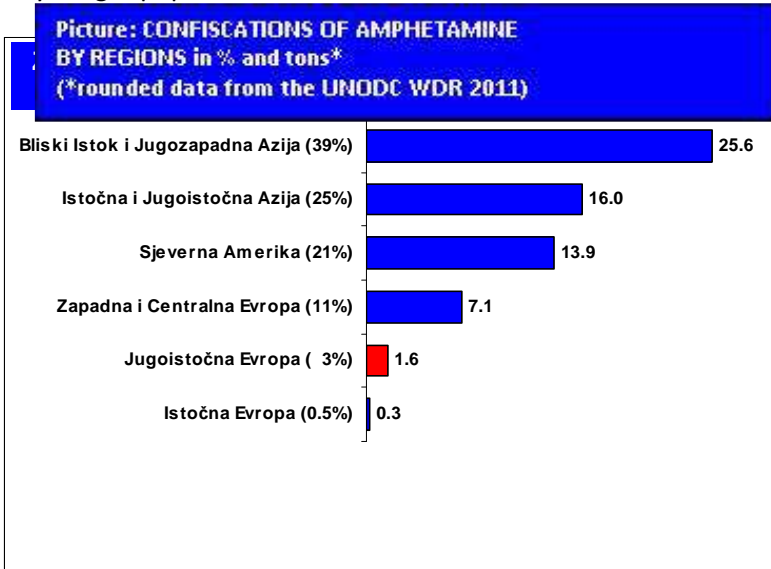
an increased flow of amphetamine from northwest of Europe, via the Balkan route to the Middle East, where it is occasionally exchanged for heroin.

**171** Europol also estimates that the importance and capacities of manufacture of amphetamine intended for the Middle East market are increasing in Bulgaria, the Western Balkans, Turkey, Lebanon and Caucasus, which can lead to the reduction of supply from the North-Western Europe.

**172** While the demand for ecstasy in the territory of Europe is relatively stable, in countries with high prices of cocaine, the demand for amphetamine as a cheaper alternative is increasing.

**173** Manufacture of synthetic drugs such as **methamphetamine**, commonly known as "crystal meth", "ice" or "speed" was mainly concentrated in the Czech Republic as the largest manufacturer in Europe, while the manufacture is recently expanding to the Baltic countries, especially Lithuania and Estonia. The usual method of manufacture of **methamphetamine** lies in a large number of small so-called "home laboratories", in which only a few grams of drug can be manufactured.

**174** Information that the price of methamphetamine is falling and the quality improving should cause concern about greater possibility that it will be available to the younger population.



The Middle East and Southwest Asia (39%)  
 East and Southeast Asia (25%)  
 North America (21%)  
 Western and Central Europe (11%)  
 South East Europe (3%)  
 East Europe (0.5%)





***“There is a real threat of arrival of “designer drugs” originating from Asia in Montenegro, which are mostly sold over the internet.”***

### Situation in the region

**175** According to estimate of SELEC<sup>31</sup>, the presence of synthetic drugs on the internal markets in South East Europe is increasing as a result of increased demand among young people, but also the more aggressive offer and the fact that they represent a cheaper substitute for traditional types of drugs. Growing market demands of synthetic drugs in the Middle East also affect the increased trade via the Balkan route or the countries of South East Europe. The fact that the volume of flow of synthetic drugs and precursors via the Balkan route towards the Middle East is increasing can be traced by increase in quantities confiscated in Turkey.

### Situation in Montenegro

**176** It is important for Montenegro to monitor the developments and trends in the markets in neighbouring countries to be able to promptly react. Large quantities of ecstasy pills were discovered in some neighbouring countries (in Macedonia), while laboratories for manufacture of methamphetamine were discovered in Serbia. New types of synthetic drugs are increasingly found in Croatia and Bosnia and Herzegovina. According to information of the Croatian police<sup>32</sup>, the earlier tendency of growth of presence of synthetic drugs such as amphetamine and ecstasy in the market in Croatia has been stopped and is now in decline. On the other hand, there appears to be a large number of new chemical substances and "designer drugs" originating from Asia which can mostly be obtained by purchase over the internet.

**177** In addition to the new so-called "designer drugs" that have a low price and global availability, trade in precursors can also be a future problem. Source of precursors can also be the Balkan countries where there is easy availability of these substances on the

black market, and those are the countries with strong chemical and pharmaceutical industries, such as, for example, Serbia.

**178 Designer drugs** are chemical substances in which the molecular structure has been changed to some extent, so that their new composition can avoid the existing drug prohibition laws and that the effects of taking can remain approximately the same. Most countries do not have laws governing the general form of prohibited drugs or substances but the lists in the laws are complemented with the emergence of new molecular structures, while, as soon as one substance gets on the list of prohibited substances, manufacturers slightly change its composition to be able to circumvent the new laws and sell it legally as a new product.

**179 In the area of abuse of prescription medicines**, particularly risk population in the following period can be pupils and students in Montenegro, if they take over the trend from the region of taking "**pills for better memory**" to improve concentration and performance during learning, the so-called "children's cocaine" or "cocaine for the poor" in the form of medicines such as psychostimulants "Ritalin" "Aderall" and "Concerta".

**180** There is a tendency of increase in the consumption of certain types of synthetic drugs, especially during the summer tourist season in the cities along the Montenegrin coast.

Large concentration of tourists from different countries of the world as well as organising of musical events with a large number of visitors, representing a favourable environment for the distribution of the above drugs, is particularly beneficial for their distribution.



<sup>31</sup> SELEC - Southeast European Law Enforcement Centre in Bucharest, Romania

<sup>32</sup> National Programme - Combating Drugs Abuse, available on the website of the police of the Republic of Croatia

### Assumptions for future development

Given the trends in the region, we assume the following scenarios:

- S1** – The use of designer synthetic drugs and prescription medicines which are a cheaper alternative will increase among users in Montenegro;
- S2** – Criminals from Montenegro will increasingly be involved in international trade of synthetic drugs and their precursors.

### Indicators of the above assumptions can be:

- Increased number of websites registered in Montenegro via which the new untested preparations and substances originating from Asian countries are advertised and sold (S1);
- Increased interest at local internet forums for buying and selling designer drugs and new preparations (S1);
- Increased sales volume in Montenegrin pharmacies of prescription medicines like psychostimulants or other cheaper alternatives for classic drugs (S1);
- Increased number of medical registered cases with problems caused by taking synthetic drugs (S1);
- More frequent travels and contacts of Montenegrin criminals with criminals in the Baltic countries (S2);
- More frequent travels and operations of Montenegrin criminals with firms from China/Asia (S2);
- Finding larger quantities of precursors in illegal possession or recorded thefts and disappearances of precursors at registered distributors (S2);
- The arrest of criminals originating from Montenegro with a larger quantity of synthetic drugs in some of the countries along the Balkan route (S2).

### Recommendations (for preventive, intelligence and operational-investigative activities)

**PR6:** In order to primarily prevent the occurrence of the problem to a large extent related to synthetic drugs in Montenegro, it is necessary to intensify prevention efforts as has been explained in detail in the National Strategic Response to Drugs of Montenegro<sup>33</sup>. The efforts of all stakeholders in Montenegro in the following 3 to 5 years should be preferably focused on:

- a) **Prevention and improvement of the system of early recognition of synthetic drugs, where special attention should be given to finding new designer drugs in Montenegro, which have already been registered in neighbouring countries, such as:**
  - “Spice” synthetic cannabis, substitute for marijuana;
  - “Crocodile” – desomorphine and codeine, “heroin for the poor” originating from Russia;
  - “Magic Dragon” contains extracts of dried exotic plants in the form of incense sticks;
  - or other suspicious substances originating from Asia which are sold via the Internet and which contain exotic fragrances and rich flavour and are not prohibited but have a different purpose.
- b) **Further limit the possibility of abuse of prescription medicines;**
- c) **Further enhance monitoring of storage, sale and transport of precursor or risky chemicals in chemical, pharmaceutical and cosmetic industries.**

**PR7:** In its work, the analytical team has not encountered enough relevant data and information based on which a credible assessment of the illegal market in this area in Montenegro could be made. In order to at least roughly assess the current extent of the problem, it is necessary to assess the size of the market of synthetic drugs and prescription medicines as alternative drugs. **We suggest that the institutions competent for the area of health and/or interested non-governmental organisations, if they have not already, initiate a project that would at least enable:**

- assessment of the number of users of synthetic drugs and abused prescription medicines;
- assessment of required quantities (average daily/annual dose of pills/milligrams);
- assessment of retail and wholesale prices;
- available types and the most common methods in which users obtain the goods;
- assessment of potential profit on annual basis.

Size of the profit, the availability of drugs and the risk of detection and sanctions will determine whether individuals will deal with this work in Montenegro, or organised groups will be involved to a greater extent.

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<sup>33</sup> Montenegro - National Strategic Response to Drugs 2008-2012

### 3.1.5. Criminal drug activities abroad

**181** Montenegrin OCGs carry out the largest part of criminal activities related to the smuggling of narcotic drugs abroad in the area of cocaine smuggling. These are most commonly OCGs that have several permanent members in charge of organisation of activities, establishing contacts with South American drug cartels, engagement of seafarers and reception of cocaine in one of the European countries. In this context, the Netherlands, Belgium, Spain, Italy, the United Kingdom and Germany are final destinations.

**182** It has been recorded that some OCGs from Montenegro, using earlier established connections in criminal structures, send their members in some countries of Europe, where they have a significant role in the distribution of cocaine at the street level (Switzerland, Denmark and Sweden). In addition to permanent members, these OCGs have developed networks of temporary members which usually consist of seafarers from Montenegro, Serbia and Croatia, who are mainly employed on container ships of the MSC company. Their role is related to direct reception of cocaine on boarding, its hiding during transport at different places (cabins, vessel cavities, mechanical plants and containers) and the later unloading from the ship in different ways. They are usually paid EUR 2200-2500 per kilogram for the aforementioned activity.

**183** For organising this kind of activity, it is also necessary to have a good connection with agencies whose main activity is employment of seafarers, as well as with certain structures within companies dealing with marine transport.

**184** OCGs engaged in these activities have established a wide network of associates, both among OCGs that operate in the region and among OCGs that operate on all key points of smuggling. The presence of members of OCGs and persons associated with them, in addition to the countries of South America, has also been recorded in South Africa, where

transhipment of cocaine is carried out. Members of our OCGs are also characterised by close cooperative relations with members of the criminal structures in the Netherlands.

**185** In addition to activities of smuggling of cocaine in Western European countries, there are groups composed of the citizens of Montenegro, which are specialised in smuggling large quantities of cocaine and synthetic drugs in the territory of Australia, where the price of cocaine per one kilogram is almost twice higher than in Western Europe. The members of the above groups are well connected with leading structures of organised crime in Australia.

**186** OCGs from Montenegro that are engaged in smuggling of heroin have established business and cooperative contacts in Turkey. During the previous period, it has been recorded that the leaders and some members of the same have very frequently stayed in the aforementioned country, and it is assumed that their visits have been caused by reaching an agreement in connection with smuggling of heroin. Branches of some of these OCGs have been operating on the territory of Germany for a longer period, where they control local markets in some areas.

**187** In the part relating to the organised smuggling of marijuana in Western Europe, there are no operational data to suggest an independent role of OCGs from Montenegro in the implementation of complete activities of smuggling and further distribution in the aforementioned area.



### 3.2. Illegal migrations and human trafficking

*“These are mostly economic migrants who, affected by poverty and other economic problems, go from their countries to Western Europe in search of a place for better life for themselves and their families.”*

#### Global nature of the problem

**188** The economic crisis, unemployment and political instability and, in addition to this, armed conflicts in the countries of origin of illegal migrants are the main driving factors of the phenomenon of illegal migrations.

**189** Illegal migration towards the European Union is not reduced as a result of the economic crisis. Inequality (living conditions) globally continues to "push" migrants towards the EU, which creates a large base of potential victims and associates for organised crime.

**190** The difference in the percentage of unemployment or the availability of social benefits among EU Member States lead to the movement of migrants within the EU itself, towards countries where the economic situation is better<sup>34</sup>.

**191** At this level, we can distinguish some characteristics of illegal migrations. These are mostly economic migrants who, affected by poverty and other economic problems, go from their countries to Western Europe in search of a place for better life for themselves and their families.

**192** According to the latest estimates of FRONTEX<sup>35</sup>, there are currently up to 4 million Afghans in Iran who have been residing in the country for several years now. However, the agreement by which the Government of Iran has been providing residence and work permits to Afghans has recently expired, so their further staying in Iran is illegal, so many of them in this situation go in the direction of the EU countries.

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<sup>34</sup> 2013 EU-SOCTA Report

<sup>35</sup> FORNTEX - European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, Report - Annual Risk Analysis

**193** Economic migrants mostly use the procedure for asylum application when trying to enter and stay in the EU territory. Asylum seekers in the EU are also citizens of Syria, who leave this country fleeing from the civil war.

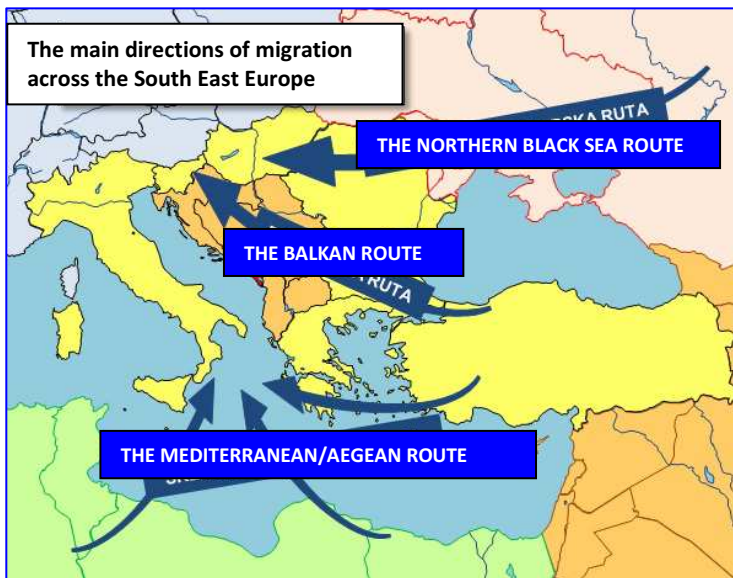
**194** In recent years there are several so-called concentration or regrouping points for different directions of migration to Western Europe to which migrants tend and where they can take advantage of available possibilities to continue their further travel. In the northern direction, these are Moscow and Kiev. In the southern direction, it is the North African coast, mainly in Libya and Egypt, and after crossing to Europe, these are the Italian island of Lampedusa, Malta or numerous Greek islands. From the direction of the Middle East, these are Istanbul and Athens.

**195** FRONTEX Risk Analysis from April 2013 indicates that out of the total number of illegal migrants entering the EU outside border crossing points only about 9% of illegal migrants enter via the route that leads through the countries of the Western Balkans. The main routes on which most entries in the EU are detected are the following:

- Eastern Mediterranean route with 51% and
- Central Mediterranean route with 14%.

**196** Criminal activities of facilitating illegal migration mainly included loose networks or association of groups and individuals, lower-level criminals, mediators and providers of various services, but also organised criminal groups to which this is not the only or main criminal activity. Only few can give migrants a complete service that includes transport, documents and employment at the desired destination, while the majority provides one time and simple services at the limited area, such as transport, crossing one border or bed & breakfast, while others are only specialised for connecting migrants with local contacts between two points.

**197** Safer, less risky and less expensive method of abuse of legal entry into a country is increasingly being used for migrants and criminals, in addition to traditional illegal crossings. Fake identity or travel documents are also often used to conceal the true identity on the occasion of crossing the border, employment or applications for various benefits in the country where migrants are staying.



**198** At the EU level, migrants of Albanian nationality are mostly registered, who have had forged documents when entering the Schengen area of EU from a third country.

**199** Since making false biometric travel documents (passport or visa) is an increasing problem for the organised crime that generates profit of illegal migrations, the following are usually prepared for migrants:

- authentic documents with altered data;
- authentic documents issued on the basis of forged, less protected documents (excerpts, certificates and the like) or
- authentic documents used by another visually similar person.

**200** FRONTEX data indicate that in the previous period the prepared documents most usually found with illegal migrants originating from Asia and Africa were the following:

- Turkish passports and identity cards;
- stolen blank German passports;
- Greek identity cards or
- stolen blank Greek residence permits.

## Situation in the region of South East Europe

**201** Although the focus of our interest is primarily oriented towards the area of the immediate surroundings of Montenegro, due to rapid changes in the routes, methods and dynamics of migrant waves, it is necessary to consider the wider surroundings on the coasts of the Mediterranean Sea, the Middle East and Eastern Europe, where changes of the situation can reflect to the Western Balkans and Montenegro.

**202** South East Europe is a major transit area for illegal migrants on their way to Western Europe and all countries in the region are to some extent under the influence of this phenomenon. When it comes to illegal migrations, this region has a dual role: it is primarily a transit area for migrants coming from Africa, Asia and Eastern Europe on the way to desired destination, mainly in Western Europe, and on the other hand, this region is partly the source

of migrants.

**203** According to an earlier SELEC<sup>36</sup> report, three main routes for smuggling of migrants, which are not completely isolated but are interconnected and under continuous dynamics, can be identified in South East Europe:

**The Northern Black Sea route**, by which migrants from Asia and Africa are smuggled to Western Europe via the Russian Federation, Ukraine, Moldova, Romania and/or Hungary.

**The Balkan route**, by which migrants originating from the Western Balkan countries and migrants from Asia and Africa, who come overland through Turkey and Greece, are smuggled into Western Europe.

**The Mediterranean/Aegean route**, by which migrants from Africa are transported via the Mediterranean Sea through the Egyptian ports and by which migrants from Asia, Africa and Turkey are transported via the Aegean Sea from Turkish coast towards Greece.

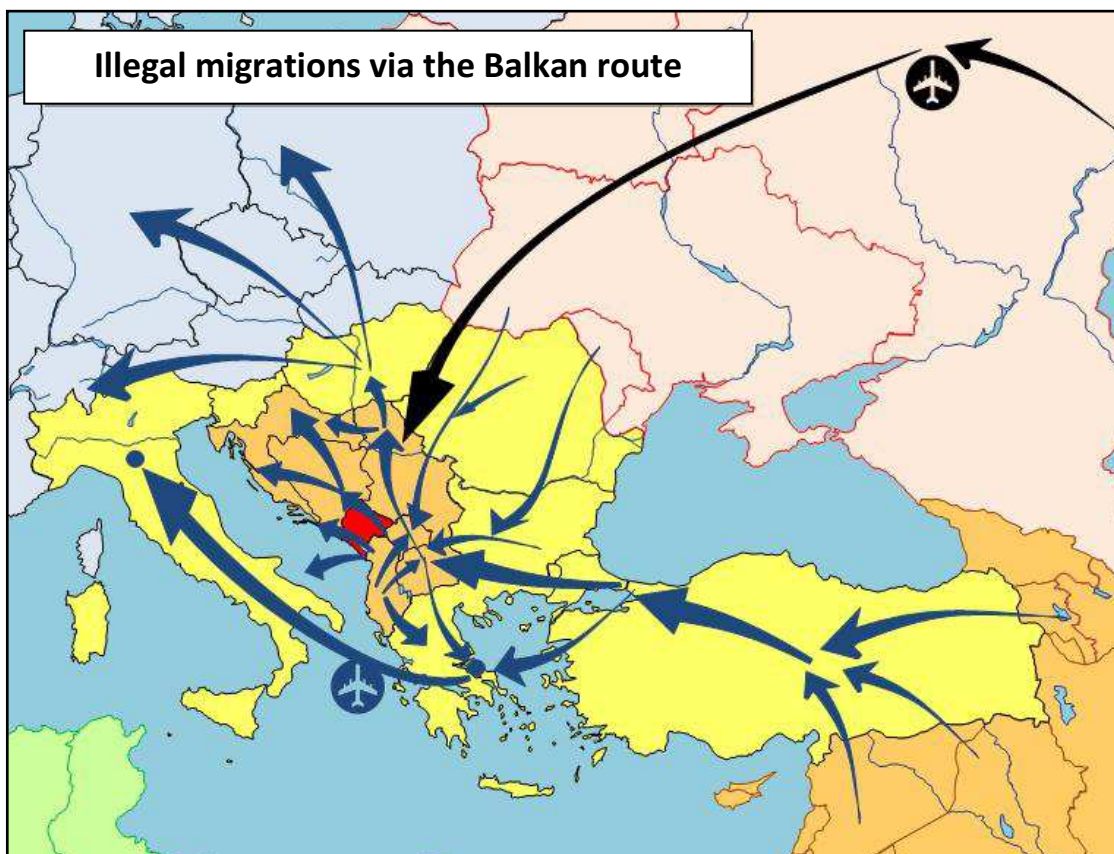
<sup>36</sup> 2011 SEE-OCTA, SELEC Report

### Illegal migrations along the “Balkan route”

**204** After smuggling of drugs, transport of illegal migrants is the second most significant criminal activity carried out via the “Balkan route”.

**205** The route through the Western Balkans mainly has a function of transit of migrants entering through the Greek-Turkish border and moving further through Macedonia, Serbia and Croatia to the border of other EU Member States. Migrants from Greece mostly use the fastest possible way to re-enter the Schengen area (Slovenia or Hungary).

**207** Many migrants temporary stay in some of the countries along the "Balkan route" to work for a certain time, in order to collect money to continue the journey. Also, there is the abuse of the asylum procedures as one of the modes, because that is how illegal migrants do not have to hide or flee, but ask police patrols to take them to centres for asylum, which mainly serve as meeting places for migrants in which they organise further journey.



**206** On the borders between the countries of the Western Balkans, about 35.000 illegal crossings outside border crossing points were registered. The largest increase for 95% in 2012 compared to 2011 was registered on the border between Croatia and Slovenia. In previous years, this border sector (Croatia-Slovenia) was the busiest external border of the EU, and in the following period FRONTEX expects that it will be the border between Croatia and Bosnia and Herzegovina.

**208** Upon entry into Europe along the "Balkan Route", illegal migrants originating from Asia and Middle East countries had mostly used the land border between Turkey and Greece in the previous years instead of sea routes, especially in the area of the Maritsa River (Greek: Evros). This changed dramatically after August 2012, when Greece engaged enormous resources, including more than 1800 additional police officers at the land border with Turkey.

**209** Economic problems in recent years in Greece do not favour a large number of migrants to stay longer in this country as workforce, as was previously the case, but now mainly seek "asylum" for another EU destination, and use Greece only as a starting point for "secondary movement" of migrants.

**210** The largest number of migrants who arrive illegally in Greece (by land and the Aegean route), move further mostly by land route via the Western Balkans, by boats to Italy or airplanes directly into "Schengen" countries of the EU.

**211** Greek efforts to prevent illegal migration through its territory were most noticeable from the end of 2012, after the launch of two extensive operations "Xenios Zeus" and "Aspida", which can serve as an example of good practice in the fight against illegal migrations.

**212** The operation "Xenios Zeus" was focused on the detection of persons residing illegally in the Greek territory and their return to their countries of origin, while the operation "Aspida" was focused on enhanced supervision of the land border between Greece and Turkey. Operational activities included:

- a) Assignment of additional 1881 police officers in the region of the river Maritsa (Evros)
- b) Creating significant additional capacities to accommodate illegal migrants in detention centres in order to facilitate identification and organisation of their return
- c) Use of new tactics for border control and enhanced cooperation
- d) Reduction of the time period in which an illegal migrant must leave the Greek territory unless he was staying in the detention centre, from 30 to 7 days
- e) Activities inside the entire territory of Greece in detecting illegal migrants.

**213** These combined efforts of intensive supervision, especially the Greek-Turkish land border and reduced inflow over the Mediterranean route significantly contributed to the fact that the reduction of illegal crossings by 49% compared to 2011 at external borders of the EU was registered by the end of 2012.

**214** On the northern side of the "Balkan route", Bulgaria and Romania are the transit countries for illegal migrants who are coming out of Europe, while Hungary appears to a lesser extent as the first destination country on this route.

**215** At the central corridor of the "Balkan route" there is Macedonia, which is mainly a transit country in the intersection of multiple directions of migration across land, but also air corridors, legally and illegally.

**216** The area of Kosovo has a dual role - as a transit country and a country of origin of migrants. The main transit routes across Kosovo are: Kosovo - Macedonia - Greece and Kosovo - Serbia - Croatia - Hungary and other EU countries.

**217** Serbia is located in the centre of transit routes for legal and illegal movement of goods and people across the Balkans. The largest number of illegal entries of migrants into the territory of central Serbia was registered from the direction of Kosovo. In addition to the transit of migrants through its territory, the economic migration of the local population is increasingly present in Serbia in recent years. The citizens of Serbia were in fourth place according to the number of asylum applications in the EU countries during 2012, after the citizens of Afghanistan, Syria and Russia<sup>37</sup>.

**218** Albania is mainly a country of origin of migrants, but also a transit route to Montenegro and Italy. Migrants originating from Albania, using forged documents, were mostly crossing into Greece, directly or by transit through the territory of Kosovo and Macedonia, in order to travel to the Western European countries by air corridor from this country (Athens-Milan). After the introduction of liberalisation of visa regime for citizens of Albania, Greece registered decrease in illegal crossings from Albania for 85% during 2011.

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<sup>37</sup> 2013, FRONTEX, Annual Risk Analysis, page 74

**219** On the other hand, other migrants were previously transported from Albania by sea directly to Italy, mostly boarded in Albania or through Montenegro, using ships registered in Croatia, and leased by smugglers.

**220** The territory of Bosnia and Herzegovina is mainly used as a transit area for illegal migrants who are smuggled further to Croatia, Slovenia and the EU countries.

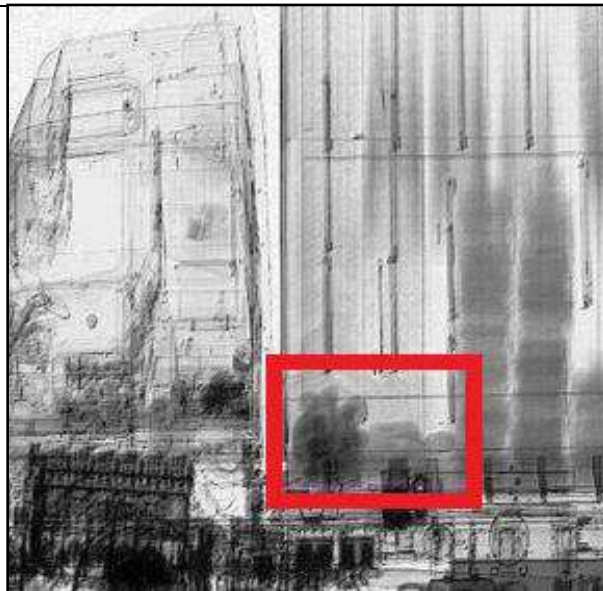
**221** Migrants from Asia (Afghanistan and Pakistan), the Middle East (Syria and Palestine), Africa (Morocco, Algeria, Tunisia, Egypt) and migrants from within the countries of South East Europe, mainly from Turkey, Albania, Romania, Macedonia, areas of southern Serbia and Kosovo are mainly smuggled via the "Balkan Route".

**222** Land transport is mostly carried out by passenger vehicles, taxi or van transport to the vicinity of border crossing points, and then guides (usually from among the local population) enable migrants to avoid border crossing points and cross through the "green border".

**223** Smugglers-guides rarely cross the border together with migrants, but they send them by themselves with instructions where to move to the next agreed point.

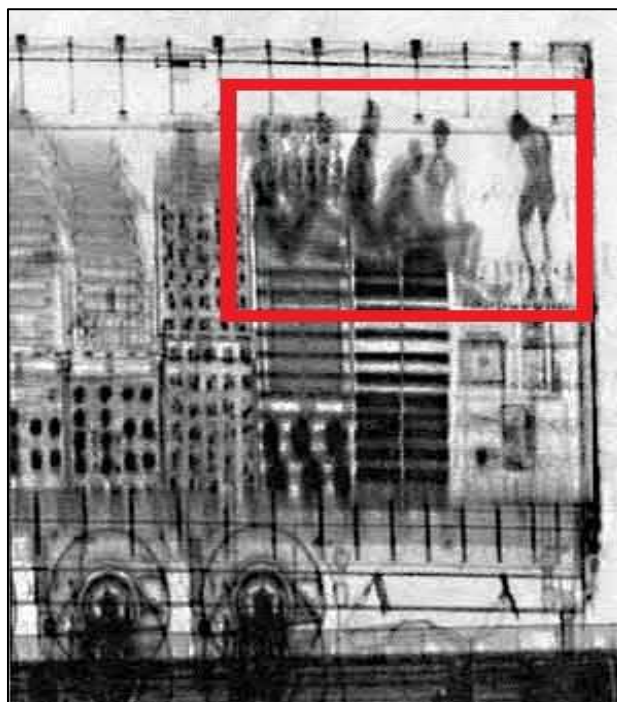
**224** Organised criminal groups that are involved in smuggling of migrants usually have about ten members and are associated with similar groups or individuals in the border area who send migrants to them or who accept migrants on the other side of the border.

**225** As for transits through the official border crossing points, more migrants are trying to cross the border by hiding in large trucks (trailers) or trains. Entering the trailer of the truck is the most common method with a rapidly growing trend. Illegal migrants usually enter in these vehicles in places where such vehicles are stopped for a longer time, such as truck stops during the night (by tearing trailer curtain at less noticeable and inaccessible places). According to information from several



countries of the Western Balkans, truck drivers are usually unaware that they are transporting illegal migrants. In some countries a large number of such cases are detected using scanners and devices for detection of carbon dioxide or heartbeats.

**226** In addition to the land transport as the predominant mode of transport of migrants via the "Balkan route", migrants also intensively use air transport while exploiting the benefits offered by the visa-free regime between certain countries. In this way, migrants from Asia (primarily China) and the Middle East can travel to certain countries of the Western Balkans by direct flights from Turkey (Istanbul) or Russia (Moscow).





**227** In the perpetration of criminal activities, organised criminal groups engage illegal migrants for conducting certain activities, especially those who do not have financial means to pay for transport expenses, in order to be able to pay their debts.

**228** What is common to organised criminal groups involved in smuggling of migrants is that leading members often have the same origin as migrants. This is particularly typical of Afghans and Pakistanis who themselves were migrants and who stay or live in the Western Balkans for a long time. Such individuals may have a role of organisers, while citizens of transit countries in the region have roles that are limited exclusively to transport or accommodation of migrants.

**229** The leaders of groups of smugglers of migrants are in charge of coordination of smuggling through a specific territory and establishing contacts at the international level with other groups along the same route. The leader is also in charge of coordination of drivers, guides and other local associates who are responsible for provision of accommodation.

**230** Local associates who are citizens of the country through which the smuggling is carried out are very important for the operational level of functioning of the smuggling network.

**231** A characteristic of countermeasures applied by organised crime is that the relationships between the organisers and drivers or other lower-level perpetrators are not strong.

**232** Organised criminal groups do not cooperate long with such individuals which increases the likelihood that members of the group will not be associated with smuggling in the case where transport (of migrants) is intercepted.

**233** Mediators also tend not to follow migrants across borders as a precaution in order not to be associated with the criminal activity but instruct migrants to manage themselves until the first following contact point on the other side of the border.

## Situation in Montenegro

***“Illegal migrations in Montenegro are still mainly of transit character through the territory of Montenegro from directions of Albania and Kosovo towards Croatia, Bosnia and Herzegovina and Serbia.”***

**234** Current migration processes in South East Europe have not bypassed Montenegro, but are present to a much smaller extent than is the case along the main traffic corridors through Serbia and Croatia. Illegal migrations in Montenegro are still mainly of transit character through the territory of Montenegro from directions of Albania and Kosovo towards Croatia, Bosnia and Herzegovina and Serbia.

**235** In the previous period these were mainly economic migrants from Pakistan, Algeria, Morocco, Afghanistan, Syria, Tunisia, or migrants of Kurdish origin. When crossing the border of Montenegro, in more than 85% of registered cases, migrants cross outside the border crossing point and mostly the "green border" on land, and less the "blue border" at sea, lake or river.

**236** Immigrants originating from African and Asian countries are transferred from Montenegro mainly to Serbia where they continue further in the direction through Hungary to Germany. Organisers of transfer toward Serbia are also migrants originating from the same countries who have already been granted asylum or who are using temporary residence in Montenegro.

**237** For the transport and transfer of migrants to Serbia, mostly in freight vehicles on local poorly controlled roads in the border area from Bijelo Polje to Rozaje, organisers-asylum seekers hire local smugglers or taxis as associates.

**238** Another direction of illegal migrations leads from Albania across Tuzi, Podgorica to the border with Bosnia and Herzegovina and further in the direction Mostar-Bihac to Croatia, or in the direction Sarajevo-Croatia-Italy. Migrants from Kosovo also use this direction towards Bosnia and Herzegovina, who come to Podgorica by taxis from the surrounding of Rozaje or Plav.

**239** Migrants are entering in Montenegro on foot - via mountain roads and trails to the first inhabited settlement (from Albania to Tuzi and from Kosovo over the mountain Bogicevica to Plav or mountain Hajla to Rozaje), while they are transported by local smugglers from Podgorica to the border with Bosnia and Herzegovina, usually by private or taxi vehicles.

**240** Organisers of smuggling of immigrants from Albania and Kosovo to Bosnia and Herzegovina are mostly citizens of Montenegro or Bosnia and Herzegovina of Albanian origin. Migrants are transported by smaller vessels, in a smaller number, by sea routes to Croatia or Italy.

**241** Turkish citizens are also involved in smuggling of migrants through Montenegro, who, in an organised manner (by coordinating local associates among transporters and taxi drivers), transfer migrants, mostly Kurds, on the route Istanbul - Italy or Austria, for a price of EUR 3500-4000 per person. There are three main directions for transferring Kurds through the territory of Montenegro:

- by airplanes: Istanbul - Podgorica, and further by vehicles **from Montenegro to Bosnia and Herzegovina** at the direction Bosnia and Herzegovina - Croatia - Italy
- by airplanes: Istanbul - Tirana or by buses Istanbul - Macedonia - Albania, and then further by vehicles or taxis to **Montenegro (through Ulcinj) in the direction of Croatia** - Slovenia - Italy, or
- from Albania through **Montenegro to Serbia** to join the northern direction at route to Italy and Austria via Belgrade or Subotica.

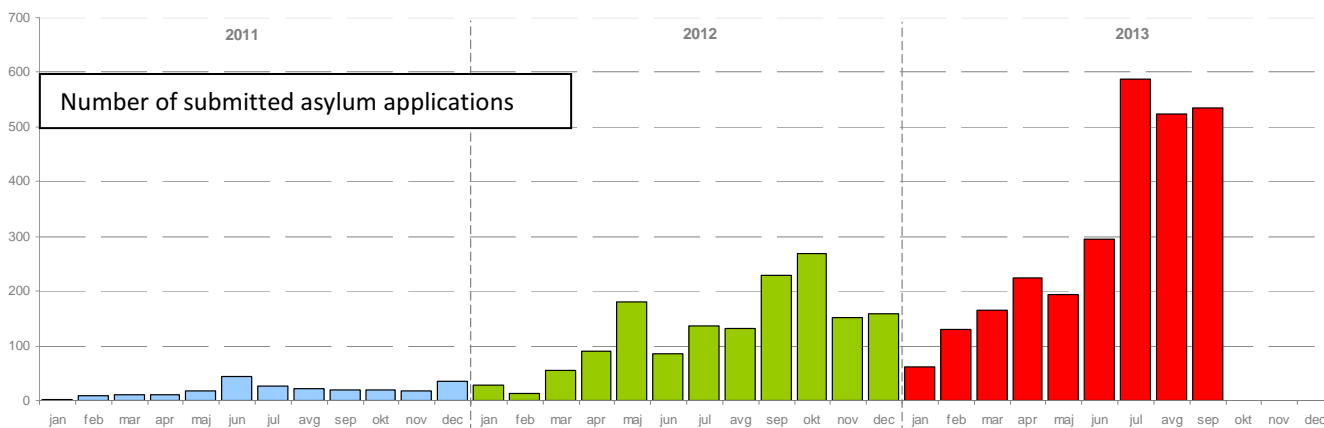
**242** The same Turkish smugglers from Montenegro also organise transfer of migrants from Syria, and they do not always use the territory of Montenegro for this, but also the sea routes from Turkey to Greece (Aegean route) and further to Italy (possibly also through Tunisia). Given the method of work of Turkish smugglers, there is a real threat that they will in the following period try to also use the Montenegrin coast for boarding and transfer of migrants by smaller boats to Italy.

**Abuse of legal procedures to facilitate illegal migrations**

**243** On the basis of indicators monitored by FRONTEX, it can be observed that there is a trend that in 2012 the number of illegal crossings outside border crossing points at the external border of the EU has decreased, while the number of entries through legal border crossings with the increasing use of false documents or misuse of asylum applications has increased.

**247** This growing problem of abuse of the asylum system by migrants, in order to ensure a temporary legal residence, rest and collecting funds for further journey, is currently the most prominent in Montenegro.

**248** Data collected in cooperation with the Directorate for Asylum of Ministry of the Interior of Montenegro for the period from 2011 to September 2013 indicate an alarming trend of increase in asylum seekers.



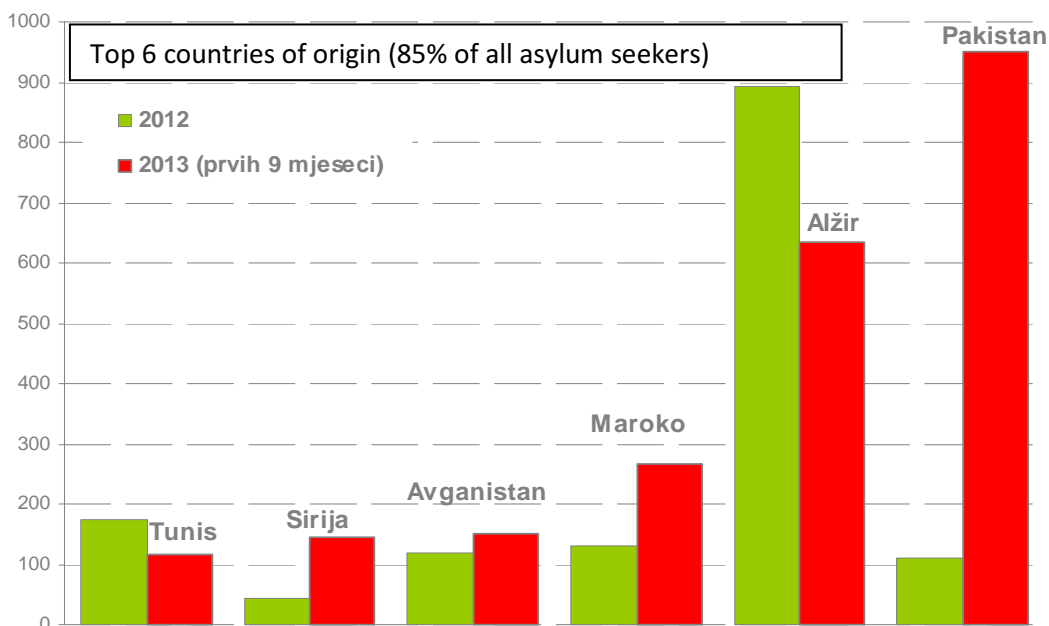
**244** As part of the method of operation of illegal migrants in an attempt to be transferred from Greece to other destinations along the Balkan route, the total number of submitted asylum applications in most countries of the Western Balkans has significantly increased.

TOP 6 countries in 2013 (Jan-Sep)		
Country of origin		The number of asylum applications
1	Pakistan	950
2	Algeria	636
3	Morocco	267
4	Afghanistan	151
5	Syria	145
6	Tunisia	115

**245** Asylum seekers are mainly originating from 5-6 same countries for the second year in a row. In 2012, the most numerous were Algerians (900) with nearly 60% of all submitted asylum applications, and it can be expected that their total number will be approximately the same by the end of 2013.

**249** Data on the country of origin of migrants - asylum seekers should be taken with reserve in 15% of cases given that in other countries it has been registered that asylum seekers approximately in that percentage give false information about their origin, pretending to come the country in which there is a crisis, as is currently the case with Syria.

**246** In mid-2013, immigrants from Algeria have been numerically surpassed by Pakistanis, whose number is rapidly growing since May 2013 (950 in the period May-September 2013). Compared to 2012, the number of Syrians is three times larger and the number of Moroccans seeking asylum is doubled, while a significant increase in asylum applications of immigrants originating from Afghanistan and Tunisia is not expected, where it is possible that there will be a decrease.

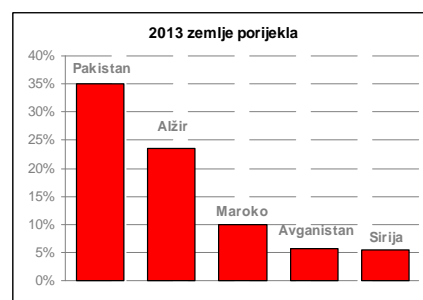
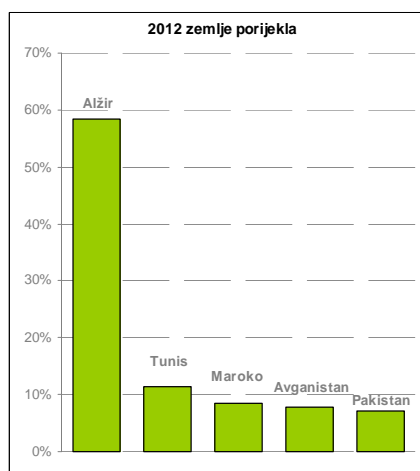
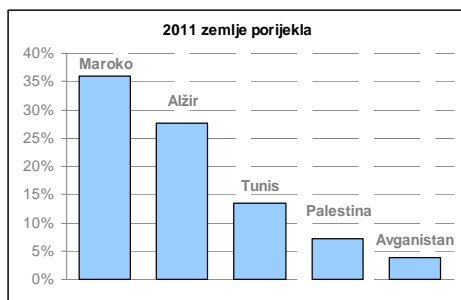


**250** Based on the analysed data, it is concluded that the main goal of the majority of illegal migrants seeking asylum in Montenegro is to provide themselves a few days of rest and collect money for further journey, rather than to leave the territory of Montenegro and go further towards the EU.

**251** It is assumed that one of the main motivating factors for a large number of migrants is to go to the direction through Montenegro and seek asylum there, with the possibility that only on the basis of **“certificate of application for asylum”** they move freely across Montenegro, although in most cases their identity has not been determined. Illegal migrants - "false asylum seekers" use this possibility to rest for a few days from the travel until they organise collecting money for further journey with human smugglers or local associates, which usually comes from abroad through the system for transfer of money at the post office or commercial banks.

**252** According to the data of Directorate for Asylum of the Ministry of the Interior of Montenegro, indifference of asylum seekers for obtaining actual protection in Montenegro is evident. In more than 75% of cases, these people even do not come to the second meeting - interview, but, after the first meeting where they take the certificate of application for asylum, they leave Montenegro within a few days.

**253** Montenegro will feel the greatest damage from the abuse of the asylum system and "false asylum seekers" in a few years, once it becomes a member of the EU and is connected to the "Eurodac" fingerprint database. It will then transfer the fingerprints of all asylum seekers in the aforementioned database and, pursuant to the provisions of the Dublin Regulation, **it will have to take back all those persons who once sought asylum in Montenegro, and whose residence is recorded in an EU country.**



**Assumptions for future development**  
**Factors impacting illegal migrations**

**254** Globally, illegal migrations are largely caused by external factors outside of Europe, and it is not expected that there will be a decrease in the volume of illegal migrations in the near future. EU countries will remain an attractive destination for illegal migrants, which will provide the possibility for organised crime to continue to make profit by exploiting the need of a large number of potential clients for illegal transport and other services.

**255** It is expected that Croatia's joining the EU will have a greater impact on change of the situation in Montenegro by increasing the pressure of migrants for this direction directly towards the border with Croatia, or indirectly through Bosnia and Herzegovina.

**256** Several other external factors can, to a lesser extent, influence the change of migration processes in Montenegro. These are further deepening of the economic crisis in Greece and the escalation of the situation in the Middle East, especially the current crises in Syria or possibly a change of the situation in Iran, Afghanistan and Iraq after the withdrawal of American troops in the following period. This can cause an increase in the number of illegal migrants crossing through Montenegro, as well as change of their ethnic structure in the following period, that is the fact that a larger number are originating from Asian countries rather than from the countries of North Africa.

**257** Among the conclusions of the FRONTEX on this topic, it is also emphasised that reducing human resources or further budget reduction may adversely affect the efficiency of border control, not only in terms of preventing illegal migrations, but also human trafficking, smuggling of drug and other illegal goods. The reduction of human resources requires greater use of technical equipment, which creates a greater dependency on technology and reduces the importance of the human factor, which limits the ability to directly collect intelligence information from human sources from the field. The reduction of budget can also increase the problem of corruption, by increasing the vulnerability to illegal cross-border activities. All this further facilitates criminal groups engaged in illegal cross-border activities to identify small and poorly equipped border crossing points or other weak points, in order to use these weaknesses and limitations of border control with a view of changing the routes or methods of crossings.

### **We assume some of the following scenarios:**

**IM1** – Illegal migrants will continue to come to Montenegro in an increasing number, mainly crossing the border outside border crossing points near Ulcinj, Podgorica, Plav and Rozaje, in groups of 10-20 migrants, with the aim to abuse the asylum procedure, in order to rest for a couple of days, collect money and organise for continuing further journey toward the EU countries.

**IM2** - Organised crime in Montenegro (foreign organisers and their local associates) will intensify activities in the smuggling of illegal migrants from the territory of Montenegro across the Adriatic Sea via smaller vessels, sailing boats or yachts or via land using vehicles of local transporters towards Croatia, directly or indirectly through the border with Bosnia and Herzegovina.

**IM3** – Smaller groups of immigrants and "false asylum seekers" who are traveling alone, when leaving Montenegro will increasingly use the method of discrete going in (without the knowledge of the driver) trailers of trucks whose final destination is one of the EU countries (towards Croatia or via ferry to Italy), and if they are going towards Serbia, they will hire local smugglers or taxis for transport to the border.

### **Indicators of the above assumptions can be:**

- Increased number of foreign citizens who are caught while illegally crossing the state border from the direction of Albania and Kosovo or who are not allowed to enter Montenegro (IM1);
- Increased number of applications for asylum which have been rejected or suspended because the applicant failed to appear at the second meeting/interview (IM1);
- Finding illegal migrants on board in the Adriatic Sea in the direction from or to Montenegro (IM2);
- Finding illegal migrants or "asylum seekers" in vehicles of local transporters or taxis in the border area towards Croatia, Bosnia and Herzegovina or Serbia, or in an accommodation in the border area (IM2-3);
- Finding illegal migrants hidden in trailer of a truck which is leaving Montenegro, on ferry, at the port or border crossing towards Croatia or Bosnia and Herzegovina (IM3)
- Increased presence of local transport companies (smaller vans, transporters) and taxi drivers in the border area, especially on the back rugged roads (IM2, IM3).

### **Recommendations (for preventive, intelligence and operational-investigative activities)**

**PR8:** Given that waves of illegal migration are driven by external factors on which we have a very limited ability to influence, in the following 3 to 5 years, all institutions in Montenegro should be preferably focused on making crossing through our territory or temporary stay in it economically unprofitable, long and slow for illegal migrants (individuals or organised groups). All activities should, primarily through **prevention**, be aimed at eliminating the identified mitigating circumstances that favour illegal migrations and organisers of smuggling of persons, namely we should:

- a) **Introduce additional mechanisms to prevent abuse of the asylum applications**, in order to separate the real asylum seekers who are really in need of protection and help from the "false asylum seekers" who use the process to get a little time, organise themselves and collect money for further journey. In particular:
  - o **emphasise that "certificate of application for asylum" may not be** used as a replacement for an identification document, and particularly disable the possible use for conducting financial transactions with commercial banks or post office.
  - o apply **temporary restriction of movement up to 15 days** to all asylum applicants whose identity has not been determined. Restrict movement to the territory of Podgorica (far from border area of exit directions of Montenegro) and consider the possibility of prolongation of this measure up to 30 days, because it should not negatively affect the actual asylum seekers who intend to stay in Montenegro for a longer period.
- b) **Increase the budget** in order to engage additional human resources, vessels, aircrafts and procurement of special equipment and techniques for more effective control of the state border and border crossing points, such as scanners and detectors of carbon dioxide, heartbeats, thermal imaging and night cameras, etc.

**PR9:** Make additional efforts in the field of **intelligence operations** to increase the intensity of the target collection and exchange of intelligence information:

- a) **Intensify collection of intelligence information** about the activities of local transporters operating in the border area who may be associated to the transport of illegal migrants.
- b) **Intensify exchange of intelligence information with foreign partner services** and in particular with police forces of Croatia and Albania, increase the level of exchange of intelligence information about the movement of risky vessels in the coastal area.

**PR10:** In the field of **operational-investigative activities**, engage additional financial and human resources to initiate a long-term field operation (6-12 months) at the national level, similar to the experience of the Greek police, with the focus on:

- **enhanced control of Montenegrin land borders** with Albania and Kosovo, particularly in critical sectors with a large number of trails or mountain roads in the area of Ulcinj, Tuzi, Plav and Rozaje
- **enhanced control of movement of local transport companies** (smaller vans, transporters) and taxi drivers in the border area, especially on the back roads and in the direction from the last inhabited settlement to the border.
- **additional control of trailers of trucks** waiting to board a ferry to Italy.
- **enhanced control of movement of vessels across the Adriatic Sea**, smaller vessels, sailing boats, yachts and inflatable boats registered abroad, rented in Croatia, or if they are owned or leased by Turkish citizens with temporary residence in Montenegro or by their companies opened in Montenegro.



## HUMAN TRAFFICKING

### Global nature of the problem

**258** Unlike illegal migrations which are mainly characterised by understanding for migrants due to economic and humanitarian reasons that drive them, human trafficking is regarded as the most serious form of organised crime, which everywhere has the same unique moral condemnation.<sup>38</sup>

**259** The main driving mechanisms of human trafficking at the global level are the constant demand for services related to sexual and labour exploitation, as well as the present socio-economic disparities between the developed and the developing world<sup>39</sup>.

**260** The causes of human trafficking are usually unemployment, poverty, poor education or the loss of family ties, and often the desire for easy money, especially with the younger population. Traffickers skilfully use the vulnerability and misconceptions of these risk groups to "lure" them during the recruitment stage.

**261** The phenomenon of human trafficking where victims are citizens of the EU is increasingly topical in borders of the EU since their smuggling between countries is facilitated due to freedom of movement and low risk of detection.

**262** Large number of working age population who cannot find a job in the countries of Africa, the Middle East and Asia provide great opportunities to organised criminal groups to achieve profit at the expense of trafficking in human beings and their transport in the direction of the European Union countries.

### Human trafficking in the surrounding countries of Montenegro

**263** The main forms of human trafficking in the region of South East Europe are sexual and labour exploitation or the perpetration of street crimes. According to the latest SELEC report, there are also new forms of exploitation such as trafficking in pregnant women who sell their newborn babies.

**264** The main countries of origin for human trafficking across South East Europe are Ukraine, Moldova, Romania, Bulgaria and Albania. Human trafficking is mainly directed towards Western European countries, but also on the other side towards the south to Greece, Turkey, Cyprus and further to the Middle East, particularly to the United Arab Emirates. The Western Balkan countries are to a lesser extent a source and partly a destination for human trafficking victims from the same region.

**265** For victims of human trafficking, Slovenia is the country through which entry in the EU in the previous period was mainly carried out, while it is expected that this will probably be Croatia in the future.

**266** According to available data of the Ministry of the Interior of Croatia<sup>40</sup>, along with Slovenia and Bosnia and Herzegovina, Croatia is an important transit route for trafficking in women and children, mostly younger females (11 to 30 years of age) with the purpose of sexual exploitation, and the victims are increasingly found to be citizens of Croatia. According to cases of human trafficking through Croatia discovered so far, the main direction is: from Ukraine or Moldova to Serbia, from Serbia through Bosnia and Herzegovina or directly to Croatia, from Croatia through Slovenia and to Austria-Switzerland or Italy-France-Spain.

**267** Among the countries of the Western Balkans, Serbia also frequently appears to be a country of origin, mostly for the purpose of sexual and labour exploitation<sup>41</sup>.

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<sup>38</sup> Illegal Immigration and Human Trafficking in Greece during the Past Decade, RIEAS Institute

<sup>39</sup> 2013, EU-SOCTA Report

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<sup>40</sup> National Programme - Human Trafficking, Croatia

<sup>41</sup> "National Strategy for Fight against Organised Crime", Republic of Serbia



**268** Kosovo is also a significant point of human trafficking for sexual exploitation in the Balkans, where 98% of all female trafficking victims are from Kosovo itself or Albania, Moldova, Romania, Ukraine and Bulgaria. Groups of Albanian ethnic origin are probably the most organised in this part of Europe for operations related to illegal migration and trafficking in human beings, particularly with the aim of their sexual or labour exploitation in destination countries of Northwestern Europe.

**269** In addition to the international level of human trafficking aimed at Western Europe, in recent times, human trafficking within parts of the same country, mostly from poor, rural to wealthier, urban area or major tourist centres has also been registered among the countries of South East Europe.

**270** Particularly risk category for victims of human trafficking in South East Europe are ethnic Roma, especially underage girls and boys<sup>42</sup>. Girls and young women of Roma origin are most often trafficked for the purpose of pre-arranged forced marriage or domestic slavery, while boys and girls of four years of age and older are forced by Roma criminal groups into begging, petty thefts and pick pocketing. The problem with human trafficking where the underage victims are of Roma origin is that the same is often agreed between the criminal offender and the victim's parents. The nomadic nature and traditional customs of Roma, as well as living in separate areas on the margins of society, further complicate the problem and demand a better response of the state to protect them and prevent human trafficking.

**271** Human trafficking is very difficult to prove in source or transit countries, primarily because in the stages of detecting or transport there is no coercion over persons yet. Persons who are at the final destination locations identified as victims of human trafficking have most often begun their journey voluntarily, as migrants seeking a better life.

**272** One mode is that smugglers often use fraud or deception to get to their victims. They offer attractive jobs in clubs, hotels, various modelling agencies, yachts, boats and the like, or even enter into romantic relationships or fake marriages with young girls so that after the arrival at the destination country this relationship could end with seizure of documents, forced labour or prostitution for the alleged debt repayment to the smuggler.

**273** The other mode is that the victims are from the beginning fully aware of the danger which they are exposed to, but mostly for economic reasons enter into illegal business relationship with individual criminals or organised criminal groups. They agree in advance the conditions of engagement and the percentage of profit that will be shared with criminals. Under these conditions of voluntariness of the victim, more often there is sexual exploitation in the form of prostitution, but also labour exploitation in agriculture, construction, textile industry or illegal plants for making counterfeit goods.

**274** In addition to coercion and violence, traffickers frequently openly offer certain benefits to victims of human trafficking or try to emotionally control the victim by engaging in romantic relationships. In this way they create a situation where some of the victims are not cooperative to cooperate with the law enforcement authorities.

**275** Organised criminal groups that are engaged in human trafficking operations in the territory of South East Europe are mainly based on family/kinship relationships, with strong ties among members, and are closed type groups and very careful when recruiting new members, especially who are not part of the family.

**276** These groups use legitimate businesses to facilitate their criminal activities, mostly for the recruitment of victims (various modelling agencies), but also for their further exploitation or legalisation of the status of foreigners in another country (restaurants, hotels, motels, night clubs, massage salons).

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<sup>42</sup> Trafficking in Persons Report 2012, US State Department

**277** Certain employees in legitimate business facilities have their role in the process of recruitment or exploitation, but that does not necessarily mean that they are members of the organised criminal group.

**278** In the process of criminal activity of human trafficking, the main members and leaders of organised criminal groups are trying to stand out as less as possible, while the main operational activities in the field are left to women, mostly former prostitutes who have worked for their organised group. They are responsible for the recruitment of potential victims, monitoring of their exploitation and in the end for collecting money.

**279** Violence in human trafficking is applied mainly to the victims in order to force them to exploitation. It is mostly psychological abuse rather than physical abuse. The most commonly applied methods are restriction of movement, confiscation of income or threats to family members.

**280** Corruption is mostly oriented towards lower-level officials, who can provide criminal activity to be carried out smoothly for money or service.

**281** Cooperation among organised criminal groups engaged in human trafficking operations is very limited or there is not any. In practice, competition and rivalry are strictly avoided by establishing special areas of operation of each group for itself.

**282** According to SELEC estimates, organised criminal groups of ethnic Roma are dominant in human trafficking operations in the region of South East Europe. Model of their work is that most lower rank members of the group operate in the country of origin where they are in charge of recruitment and transport of victims, while the leader and more important members of the group are located in the country where the exploitation of victims is carried out and they collect money gained by this type of crime.

**283** In addition to organised criminal groups, human trafficking is largely carried out by individuals interconnected by loose ties and without hierarchy. These are the most common models of work regarding sexual exploitation.

## Situation in Montenegro

**284** In the area of human trafficking, the developments in the region to a greater extent can affect Montenegro to become a country of destination for some specific areas of sexual exploitation. Several police operations have already identified indications of this trend in the area of prostitution, especially in the coastal area during the tourist season. However, in most cases coercion into prostitution was not detected, but it was the consensual intercourse of adult females and therefore the charges of human trafficking were dismissed, while there was a small number of cases of abuse of trust or exploitation of the difficult financial situation of young girls.

**285** Despite the fact that in recent cases investigated in Montenegro human trafficking has been proven in court only in one case so far, prostitution and entertainment industry, which includes sexual exploitation in particular in coastal cities during the tourist season, are a potential risk and fertile ground for the occurrence of criminal offences of human trafficking. Particularly risk areas are the areas of Budva, cities in the Bay of Kotor and the area of Bar and Ulcinj.

**286** A wide range of mediators, from the owners of nightclubs to the members of the security, receptionists in hotels, taxi drivers, owners of various agencies and the like, are involved in these activities of mediation in conducting mostly voluntary prostitution of girls originating from the region of Montenegro.

**287** Other risk population in Montenegro for the area of human trafficking, which should be a priority for paying special attention to, are underage Roma. Most members of the Roma national minority live in the conditions of extreme poverty and very low standards, particularly in terms of health and hygiene, they do not have personal documents, health and social insurance and are very poorly educated<sup>43</sup>.

**288** Less than 14%<sup>44</sup> of Roma children up to 7 years of age have attended kindergarten in the previous period in Montenegro, while only a third of girls and half of boys of the total number of children up to 15 years of age attend primary school, out of which only about 10% enrol in secondary school<sup>45</sup>. Certain number of underage Roma can still daily be seen begging in the streets.

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<sup>43</sup> Strategy for Improvement of Position of RAE Population in Montenegro 2008-2012

<sup>44</sup> Strategy For Improving the Position of Roma and Egyptians in Montenegro 2012-2016

<sup>45</sup> MONSTAT - RAE Population Database in Montenegro, October 2008

### **Assumptions for future development (for threats regarding prostitution)**

Special attention in the future period should be paid to areas of high risk in Montenegro for the phenomenon of human trafficking for sexual exploitation which is a "high-level" prostitution, due to the assumption of the following scenario:

**T1** - Rich clients will increasingly engage young girls in Montenegro or the surrounding counties over the internet or through mediation of "cover" agencies for all-day or multi-day so-called "escort" on yachts or in separate private locations, which will significantly limit the possibility of preventive control regarding whether there are elements of force until it is too late, that is until an act of violence such as beatings, rape or the like happens.

### **Recommendations (for preventive, intelligence and operational-investigative activities)**

**PR8:** Given the phenomenon of "high" prostitution due to increased demand by mostly rich foreign clients, factors whose reduction is difficult to influence, the focus of prevention of escalation of the problem should be directed to increased control of the offer in order to further limit the abuse of minors or to reduce violence. What is typical for this problem is that the victims of violence themselves are not ready to report to state authorities when they or people close to them even have serious security problems, because they themselves are also in the zone of illegal activities (prostitution).

- a) State authorities and interested non-governmental organisations in Montenegro should once again discuss, review all the options and find an appropriate (legal) control mechanism of voluntary prostitution of adults and their protection, and in order to primarily reduce the possibilities and needs for forcing, violence, abuse of minors and in the end human trafficking for sexual exploitation in Montenegro.
- b) In its "Report on Risks, Rights and Health" for 2012, the United Nations Global Commission on HIV and the Law<sup>46</sup> recommends that states which have not yet adopted legislation to protect "sex workers" do so, decriminalise "consensual sex between adults" and "voluntary sex work" and precisely separate that in the legislation from human trafficking, sexual exploitation or child abuse.

### **Assumptions for future development (for threats to RAE population)**

Given the trends in the region, we assume some of the following scenarios:

- T2** – Underage Roma women from Montenegro will more often be taken abroad for pre-arranged forced marriage or domestic slavery;
- T3** – Underage Roma will more often be abused for illegal activities such as begging, petty thefts or pick pocketing.

### **Indicators of the above assumptions can be:**

- The increased number of underage Roma women (12-17 years of age) who went outside the borders of Montenegro and did not return within one year (T2);
- Disproportionately small number of Roma girls attend primary and secondary school (T2);
- A small number of underage Roma up to 15 years of age who attend regular (compulsory) primary education and even a smaller number enrolled in secondary school (T3);
- A small number of Roma children who regularly attend preschool (T3);
- Increased number of underage Roma up to 15 years of age involved in begging at intersections, markets or terraces of bars in larger cities of Montenegro (T3).

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<sup>46</sup> UNDP, United Nations Development Programme, „Report Risks, Rights & Health“, July 2012  
Recommendations of the United Nations Global Commission on HIV and the Law, page 99 of the Report,  
According to this report, 80 countries in the world have legally introduced a certain level of protection of "sex work" while according to the law it is still punishable in 116 countries or territories.

Reducing the possibilities for abuse of the risky RAE population cannot be achieved by repressive action of law enforcement authorities, but can be achieved mainly through preventive activities of the competent institutions and non-governmental organisations with the aim to remove as many underage Roma "from the street" as possible and to introduce them into the educational system, by which they will be under control and care of the state for the majority of time.

### **Recommendations (for preventive activities)**

**PR9:** Given the examples in the region, frequent involvement of parents or relatives in initiation of the problem by giving their consent to the exploitation of children (forced by economic problems), Montenegro should, in the following 3 to 5 years, with the aim of prevention, establish stronger control and complete records, education and the integration of underage Roma population with the purpose of its additional protection:

- a) Full funding, stricter control and monitoring of regular compulsory primary education of Roma up to 15 years of age, including greater involvement of school psychologists in monitoring and early warning of problems in the family (to prevent school dropout).
- b) Increasing the number of Roma girls who enrol, attend and complete secondary school
- c) Increase funding of the state and non-governmental organisations through grants to increase the number of Roma children attending preschool and thereby lowering the lower age threshold and increasing the number of children under control and care of intuitions.
- d) There should be a greater involvement of the existing RAE institutions and non-governmental organisations in the prevention and reduction of possibilities for the situation of pre-arranged forced marriage or domestic slavery, primarily where underage Roma from Montenegro are taken and exploited abroad.

### 3.3. Economic crime

*“Among other forms of criminal activities that are the most common and whose trends may to a greater or lesser extent affect the changes of methods and types of criminal activities in Montenegro, financial crime, particularly in the area of fraud and counterfeiting, as well as cyber crime stand out.”*

#### 3.3.1. Financial crime

**289** Financial, that is economic crime, in almost every country in the Western Balkans is among the first few manifestations of organised crime. However, the amount of damage from financial crime for one country is much higher if we observe a broader context, that is, if we also take into account those criminal offences committed by individuals, such as fraud to avoid paying taxes and other contributions to the detriment of the state budget.

**290** Frauds to avoid paying taxes and contributions directly affect the reduction of the amount of money available to the state for the provision of public services, and this type of criminal offences cause great economic damage. Consequences for legitimate businesses can be devastating, through the loss of profits and job positions, or they constitute unfair competition because illegal or those legal firms that only partially comply with the tax laws gain an advantage over firms that fully comply with their obligations towards the state, employees and customers.

**291** The existence and volume of shadow economy indicate that these types of criminal offences are committed although not recorded, that is reported in the official statistics, but they clearly indicate that tax laws are not complied with in a certain percentage.

**292** According to the World Bank<sup>47</sup>, the shadow economy consists of all those operations that are not included in official statistics, and include illegal activities (black market) and activities that themselves are legal but are not reported or are concealed to avoid tax liabilities.

**293** The volume of shadow economy is commonly shown in relation to the percentage

of gross domestic product, GDP<sup>48</sup>. According to data published by the European Commission in June 2012, the prediction of the volume of shadow economy in the EU-27<sup>49</sup> amounted to 19.2% of GDP in 2011. Regarding the countries of South East Europe, comparative data for Bulgaria 32.3% of GDP, Romania 29.6%, Croatia 29.5% and Greece 24.3% were available.

**294** According to information from the Ministry of Finance of Montenegro<sup>50</sup> the volume of shadow economy in Montenegro amounts to approximately 20% of GDP, which is slightly more than the EU-27 average, and converted into money, it amounts to approximately **EUR 700 million per year** (for the assessment of GDP in Montenegro about EUR 3.1 -3.5 billion per year).

**295** For comparison, the volume of illegal narcotics markets in Montenegro (heroin, cocaine and marijuana) ranges between **EUR 50-60 million**. Looking only from the perspective of the amount of money, various manifestations of financial crime are ten times bigger problem for the state than the problem of illegal drug market, while its consequences concern all citizens and not just a particular risk population.

**PR14** In order to reduce this problem, the Government of Montenegro adopted the Operational Plan for combating shadow economy in May 2012 and its implementation should be a priority of all involved state institutions, but also other entities that can contribute to its implementation.

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<sup>47</sup> Explanation on the website of the World Bank - <http://www.worldbank.org>

<sup>48</sup> GDP – Gross domestic product

<sup>49</sup> European Commission, COM(2012) 351 final, on concrete ways to reinforce the fight against tax fraud and tax evasion including in relation to third countries

<sup>50</sup> April 2012, Montenegro, Information about Measures to Combat the Shadow Economy for 2012

### 3.3.2. Smuggling and sale of excise goods (cigarettes, alcohol and fuel)

*“Further increase in excise duties on cigarettes, first in Croatia and then in Serbia in the following years, to nearly triple the current level, in accordance with EU directives in this area, could have the greatest impact on the change in the direction of smuggling of cigarettes through Montenegro.”*

**296** In South East Europe there still remain open possibilities for illegal trade and smuggling of excise goods (alcohol, coffee and cigarettes) as well as other counterfeit goods, especially due to low economic standard and low purchasing power of the population, which favours the growth of the black market.

#### Situation in the region

**297** Inconsistency of fiscal policies at the regional level can be one of the causes of illegal trade in cigarettes as it leads to large differences in prices of tobacco products in neighbouring countries.

**298** Smuggling of cigarettes in Croatia has recently been registered on the coast at local motor boats, and on entry and transit through Croatia from Serbia, by van vehicles or private cars. Compared to Bosnia and Herzegovina, illegal trade in cigarettes is the most frequent at border areas with Montenegro and to a lesser extent with Serbia and Croatia. Cigarettes originating from Serbia are smuggled through Serbia, but also from Kosovo or Albania through Montenegro, namely by trucks in the direction of Croatia, Hungary or Romania, or more often by train to Bulgaria. The direction of smuggling cigarettes to Bulgaria is also interesting for smugglers from Macedonia due to high price as a result of high excise duties.

#### Situation in Montenegro

**299** By carrying out these criminal activities smugglers gain significant financial resources which they acquire based on the fact that they do not pay tax, excise duties and customs duties when importing the aforementioned goods.

**300** Cigarettes and alcohol, as well as coffee, but in small quantities, are smuggled. The smuggling of excise goods is carried out by passenger trains, motor vehicles, trucks, vessels, as well as the use of domestic animals for their transport through rugged areas. Smuggling is carried out both by using official border crossing points and bypass and poorly controlled rural roads. Smuggling by using vessels is carried out through the aquatorium of Skadar Lake.

**301** OCGs operating in Montenegro are mostly not involved in these activities, but the same are carried out by temporarily associated individuals.

**302** Within the smuggling of excise goods, primarily alcohol and cigarettes, four smuggling routes have been identified:  
Albania - Montenegro;  
Montenegro - Serbia and Serbia/Montenegro;  
Montenegro - Kosovo and  
Montenegro - Bosnia and Herzegovina.

**303** Cigarettes are stored in rural areas on the territory of the municipality of Rozaje, from where they are smuggled to Kosovo.

**304** The largest part of alcoholic drinks is smuggled from Albania, while its further distribution is carried out in the territory of Montenegro. Due to good relations with Albania (no language barrier), the mentioned activities are primarily carried out by persons displaced from this region.

**305** Some cases of smuggling to Bosnia and Herzegovina, where legal companies are used for smuggling, have also been recorded.

**306** Some owners of companies in Montenegro are involved in illegal trade in excise goods together with some persons from Kosovo. Circulation of money gained in these companies is justified by the appropriate documentation which shows that the goods have been sold in Kosovo, i.e. excise goods are fictitiously exported to neighbouring countries where they receive fictitious documents on the export of goods, in order to be exempted from various types of excise duties and taxes. Goods that in reality remain in the territory of Montenegro are illegally placed in the territory of our country. In addition to the aforementioned, firms engaged in the above activity were also carrying out the alleged export of the above goods, by certifying the customs and other documents, on the basis of which they were entitled to a VAT refund. The above goods were actually traded in the territory of Montenegro.

**307** In the activity of fictitious export of excise goods, there is a possibility of association of smugglers with members of the law enforcement authorities, who are directly involved at border, i.e. customs checkpoints.

**308** Cigarettes can be freely purchased outside of retail facilities and from street vendors. There are cigarettes of manufacturers that can be purchased in legal sales facilities, as well as several brands of cigarettes that cannot be purchased at these locations.

**309** In all countries of the region, there is a trend that the smuggling of excise goods involves a number of persons from different countries, indicating the character of international organised crime, with the application of preparing fictional supporting documentation or using a fictitious firm. One form of transport of cigarettes is through customs zones without customs clearance, gaining profit by avoiding payment of duties, excise duties and taxes, while another form of smuggling is carried out by illegally crossing the border in poorly controlled areas.

**310** Smuggling of cigarettes from Montenegro to Kosovo goes mainly through illegal crossings in the border area of Rozaje and Plav, by freight vehicles in quantities of 100-300 packages (5000-15000 boxes). Smuggled cigarettes from Montenegro to Serbia mainly go in the direction of Bijelo Polje - Prijepolje, hidden among other goods in large trucks or in special compartments of private cars.

**311** In addition to smuggling of cigarettes through the territory of Montenegro to Serbia and Kosovo, smuggling of other excise goods, especially coffee from Montenegro to Kosovo and, to a lesser extent, alcoholic drinks from Serbia to Montenegro, have also been registered through several police operations.

### Assumptions for future development

**B1** – Reduction of the volume of cigarette smuggling is not expected in the following period, but change of certain routes depending on supply and demand or methods of smuggling can be expected. Further increase in excise duties on cigarettes, first in Croatia and then in Serbia in the following years, to nearly triple the current level, in accordance with EU directives in this area, could have the greatest impact on the change in the direction of smuggling of cigarettes through Montenegro. The direction of smuggling will depend on the increase in price differences of the same brand of cigarettes in different countries, but also on reduction of living standards of consumers who, affected by the crisis and raising of prices, can once again be more focused on the black market.



### Recommendation

**PR13** In order to further reduce the possibilities for smuggling of excise goods across the Montenegrin border, in the future period we should:

- a) Enhance controls on alternative crossing points in the border area to Kosovo and have stricter control of documentation and loading of suspicious vehicles at border crossing points to Serbia
- b) Intensively exchange intelligence information with neighbouring countries about topical brands of cigarettes for smuggling (with or without excise stamps), the differences in their price and the possible presence on the illegal market of Montenegro
- c) Identify methods of placing smuggled goods in legal trade flows without registering and paying VAT
- d) Conduct researches on smuggling of goods to and from the territory of Montenegro and, within researches, identify methods of smuggling of goods from other territories to the territory of Montenegro
- e) Identify foreign destinations from which excise goods are imported and conduct control of companies involved in their import.



*Cigarettes found in one of the police operations*

### 3.3.3. Cyber crime

**312** This type of criminal activity can be carried out both by individuals and OCGs in cooperation with specialists in this area.

**313** Cyber crime is closely associated to various forms of frauds and social engineering, which in most cases are manifested through identity theft. Credit card frauds are also closely associated to the development of information technology and use of internet.

**314** In addition to possibilities that the development of various internet technologies in electronic payment provides to those involved in money laundering, at the same time there is a fertile ground for a whole range of other criminal offences usually committed by a skilled individual or several temporarily associated criminals.

**315** In recent years, there was an enormous increase and the development of use of various forms of information technologies, and therefore Montenegro recorded a constant growth in the above area, as evidenced by the fact that in the past 6 years, the number of internet users increased from 50.000 to 320.000 users, which was an approximate increase of 300%, which further created possibilities for abuse of information systems and perpetration of criminal offences in the field of cyber crime.

**316** The most common criminal offences in the region that fall within the domain of cyber crime are credit card frauds. Number of frauds with credit and other payment cards, their forgery and abuse has been on the increase in recent years, both in the region and in Montenegro. Criminals obtain information about credit card holders using the so-called "skimming" of ATMs (cash machines) or POS terminals (devices for scanning cards in electronic payment) by placing certain extensions on them which copy the data from the card during regular activities of clients.

**317** Intrusions in protected databases and child pornography on the internet and internet piracy can be singled out from criminal offences from the above area in Montenegro. Credit card frauds are particularly evident in the period of tourist season and the perpetrators are mostly foreigners who carry out these criminal activities in Montenegro and countries in the region.

**318** Montenegro has recorded number of cases of the so-called "**Nigerian Frauds**". In this form of crime, perpetrators send a "letter" via e-mail which contains information about an easy way of obtaining material benefit (lottery winnings, false inheritance...). Criminals send millions of such unwanted (spam) e-mails hoping that someone will respond to the sent mail. To receive "promised" funds victims pay different amounts of money to cover various false expenses and charges related to such income. False bank organisations and internet sites are used for the above purpose<sup>51</sup>.

**319** Criminals at the international level in this area intensively collaborate over the internet, sell or exchange illegally collected data with account numbers and names of payment card holders. Certain groups are also specialised for making counterfeit credit cards ("twins") based on data purchased on the internet, and their abuse is usually carried out by buying luxury goods such as jewellery, expensive watches or certain appliances and devices.

**320** Along with technological advances and easier availability of devices for data copying and making counterfeit cards, an increase in the volume of credit card frauds can also be expected in Montenegro in the following period. A growing number of internet users and new electronic services, particularly electronic payment via the internet in Montenegro, are especially risky environment in which payment card frauds can further expand in the future.

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<sup>51</sup> SELEC OCTA 2013



**321** Identity theft through "phishing" or otherwise comes down to illegal obtaining of financial and personal data. Specially created e-mails and copies of websites of banks and other financial institutions are usually used for this purpose.



**322** Cases where OCGs use specialists with high expertise in the field of information technology in order to carry out any of the aforementioned activities have not been recorded in Montenegro.

#### **Assumptions for future development**

**C1** - An increase in the volume of credit card frauds can be expected in Montenegro in the following period. A growing number of internet users and new electronic services, particularly electronic payment via the internet in Montenegro, are especially risky environment in which payment card frauds can further expand in the future.

**C2** - An increased number of cases of identity theft can be expected in the following period, especially if we take into account the rapid development of e-banking. Social networks like "Facebook", "Twitter" and similar will increasingly be a perfect field for hacking of accounts and terminal devices (computers) where data stored on them are obtained. Different types of blackmail may appear as a result of the above activities.

**C3** - The development of the internet and various ways to exchange multimedia content will be used in an increasing extent for the purpose of different forms of child pornography (Skype, peer-to-peer technologies, GigaTribe).

#### **Recommendation**

**PR14** It is necessary to undertake activities to oblige providers of services of electronic payment via the internet in Montenegro to introduce additional security systems and authentications of clients, in order to protect users from abuse, and to provide the necessary information to law enforcement authorities for carrying out investigations or monitoring.

### 3.4. Other horizontal issues

#### 3.4.1. Firearms

*“A large number of criminal offences in the Western Balkans were committed with the use of weapons in illegal possession which were difficult to trace. Organised criminal groups relatively easy come into possession of both long and short weapons, and it is not uncommon to discover both rocket-propelled grenades and explosive devices during police raids.”*

**323** According to estimates of Europol, the Western Balkans still has an important role in the sale of weapons to countries in the EU, primarily due to the large amount of weapons left from the time of war conflicts, which are not under the control of the authorities in countries of the region. Criminal groups from the European Union countries are supplied with weapons and ammunition originating primarily from Serbia and Bosnia and Herzegovina.

**324** Weapons are largely smuggled via the same routes that are used for smuggling of drugs, often by the same participants who transport other illegal goods or migrants. Weapons are usually smuggled hidden in other cargoes that are legally transported or in smaller amounts hidden in private vehicles.



#### Situation in the region

**325** A large number of criminal offences in the Western Balkan countries were committed with the use of weapons in illegal possession which were difficult to trace. Organised criminal groups relatively easy come into possession of both long and short weapons, and it is not uncommon to discover both rocket-propelled grenades and explosive devices during police raids. Most of these weapons are “legacy” of war conflicts in Croatia, Bosnia and Herzegovina and Kosovo.

**326** On the other hand, despite the legal prohibition of carrying weapons, weapons are found with majority of criminals during police control, but also with a large number of citizens. The availability of weapons and good connections of organised criminal groups in this area with groups in the EU favour trade and smuggling of weapons to illegal market of Western Europe.

**327** Criminals originating from Montenegro are involved in international groups, which, in addition to drug smuggling, also deal with weapons smuggling. International connection of criminal groups in this work is confirmed by the latest detected case in Slovenia, where criminals originating from Montenegro, as part of an international group in this region, have organised smuggling of weapons and explosives from Bosnia and Herzegovina to France and the Netherlands with the intention of replacing it for cocaine and synthetic drugs.

**328** Cases of smuggling pieces of weapons to Sweden, as well as smuggling of weapons from Belgium to Montenegro, where their further sale on the black market is carried out, have also been recorded.

**329** During the past years, there were also several cases of theft of explosives and related equipment from the factory "Poliex" in Berane. Based on the available findings, in the period from 2006 to 2013, about 4 tons of TNT, more than 9 thousands of pieces of electric detonators and several dozen kilograms of beranit - powdered explosive were stolen from the aforementioned factory. There is a possibility that significant amounts of the aforementioned explosives and related equipment are being freely sold on the black market in Montenegro and countries in the region.

**330** Smuggled and stolen explosive devices are used by members of registered OCGs for the purpose of their confrontations. Analysis of certain cases of planting explosive devices on vehicles and other property of members of OCGs also indicates the aforementioned. With the aim of making improvised explosive devices, persons who are known as experts in the above area are hired.

**331** It is expected that in the following period this region will be crucial for smuggling of weapons for the needs of organised criminal groups in Western Europe. It can also be expected that greater control by the states on one side will affect the smaller availability, but on the other side, the increase in prices of weapons. Higher prices and higher profit can be a motive for weapons smuggling to also be an interesting criminal activity to groups in the Western Balkans in the future.

#### Assumptions for future development

**Xo1** - We assume that smaller quantities of weapons hidden in private vehicles will continue to be smuggled to Serbia and Kosovo from Bosnia and Herzegovina, through the territory of Montenegro, primarily intended for personal arming of criminals from Montenegro and countries in the region, and only to a lesser extent for further illegal trade to citizens.

#### Recommendations

**PR15** In the following period, attention should be given to two particularly risky areas for smuggling of weapons across the border of Montenegro. One is the area of the tri-border area of Montenegro, Serbia and Kosovo between Rozaje, Novi Pazar, Mitrovica and Pec, and the second area is along the border of Montenegro and Bosnia and Herzegovina, in the triangle Pljevlja, Pluzine and Foca.

**PR16** Enhance security measures of the factory for the production of explosive devices “Poliex” in Berane, in order to prevent thefts of various types of explosives from the aforementioned factory in the following period.

**PR17** Like in other countries in the region, the problem of availability of firearms in the possession of criminals and a large number of citizens is also prominent in Montenegro. Given that it is difficult to influence the great offer, the focus in the following period should be directed at reduction of the demand, that is increase in the risk of sanctions for those who illegally possess weapon or carry it with them:

- Higher penalties should deter the general population of both citizens and criminals from carrying any firearm in public places, and in particular, greater sanctions should be stipulated for possession of weapons for the so-called “offensive purposes”, which are used for settling of accounts among criminals, such as automatic rifles, snipers, silencers, rocket-propelled grenades, various bombs and explosive devices. In this way, the state can act preventively on reduction of the number of criminal offences committed with the use of firearms.



### 3.4.2. Motor vehicles

*„Between the countries of the Western Balkans, stolen vehicles move in both directions, depending on the current offer and demand, but nevertheless certain groupings and specialisations are observed.“*

**332** SELEC researches indicate that the international trade in stolen vehicles is well organised in the whole South East Europe. Most stolen vehicles are coming from Western European countries, are illegally **registered** in the region, and then are further transported to destination countries of **Asia**, especially the Middle East and Iraq, where a significant demand for luxury vehicles is recorded.

**333** In the past few years, the trend of trade in construction machinery stolen in Germany and Austria has also been observed. In addition to large profit gained by selling stolen work machinery of high value, mitigating circumstance for criminal operations is that in some countries these types of vehicles are used in the construction industry without prior registration.

#### Situation in the region

**334** Theft and resale of stolen vehicles in the Western Balkan countries function as part of an integrated system in which different stages of criminal activities are well separated among organised criminal groups or individuals in different countries.

**335** Groups and individuals involved in this criminal activity are equipped with sophisticated electronic equipment for opening, activating and stealing vehicles, forgery of documents and making false identification labels. Vehicle theft is often done at customer's order and according to specific target brands of cars, expensive buses or freight vehicles with semi-trailers and refrigerated trucks. The technique of blackmail of the vehicle owner in order to return the same vehicle to him with a ransom is also occasionally used, and a certain number of vehicles that are more difficult to register and sell are dismantled and sold on the black market of spare parts.

**336** Other manifestations of criminal offences related to motor vehicles are thefts with insurance fraud.

**337** In order to facilitate the smuggling, in addition to the preparation of forged documents, organised criminal groups and individuals are associated with police and customs officers at border crossing points.

**338** Between the countries of the Western Balkans, stolen vehicles move in both directions, depending on the current offer and demand, but nevertheless certain groupings and specialisations are observed. Criminal groups from the territory of Croatia and Serbia are more oriented to transit of vehicles stolen from the European Union, while criminal groups in Bosnia and Herzegovina have an important role as an intermediary point in the region for future purchase. Stolen vehicles are shipped to Kosovo from Montenegro, Serbia and Albania, and stolen vehicles in Kosovo are moving towards these countries. Criminal groups in Macedonia are involved in the temporary storage and further transport of vehicles, and are characterised by good connections with groups from Albania and Kosovo. In almost all countries, criminal groups have special facilities for storage and modifications of vehicles, as well as forgery of identification labels and accompanying documents.

**339** Joint police actions in the region aimed at organised criminal groups of thieves and smugglers of vehicles and their associates at car dumps and small workshops have significantly influenced the reduction of the volume of this criminal activity.

**340** Given the current prices, offer and demand of used vehicles in Montenegro and integrated systems of border and police control with the Interpol database, in the

following period Montenegro will not be an attractive destination for thefts or sale of vehicles stolen abroad in a significant number.

**341** Cases of smuggling of freight motor vehicles through the territory of Montenegro to Bosnia and Herzegovina have also been recorded. Smuggling is carried out through

official border crossing points, with the use of forged documents or by bypassing the same using alternative routes. These vehicles are purchased on the territory of Serbia and Kosovo, and Arab countries are their final destination.

### Assumptions for future development

**Xv1** - Individual vehicle thefts will continue to happen in Montenegro, usually for the purpose of their dismantling for sale of spare parts. Small private workshops - garages in the suburbs of major cities are particularly risky places for storage and cutting of stolen vehicles, while car dumps are risky locations for sale of spare parts obtained in this way.

**Xv2** - The territory of Montenegro will be less interesting as a final destination, but rather for transit of pre-ordered stolen vehicles or for illegal trade in spare parts obtained from stolen vehicles. The direction to which attention should be paid is Prijepolje - Pljevlja, because of connections of criminal groups from Montenegro and Serbia, especially for vehicles stolen in Belgrade, as well as the border between Bosnia and Herzegovina and Montenegro for vehicles stolen in Sarajevo Canton.

### Recommendation

**PR18** In order to further reduce the possibilities for criminals to sell spare parts obtained by cutting stolen vehicles, enhanced controls of small private workshops - garages and car dumps in suburban areas should be conducted in the following period, with the aim of determining the origin of more expensive car spare parts.



*Stolen vehicle cut in parts for further sale*

### 3.4.3. Cross-border crime (other smuggled goods)

**342** Smuggling of counterfeit goods is considered to be an important issue, especially for countries affected by the financial crisis. Social tolerance facilitates the development of these activities due to poor purchasing power of the population in these countries<sup>52</sup>.

**343** Activities on the detection of cases of cross-border smuggling of various types of goods are undertaken at border crossing points in coordinated cooperation of officers of the Police Directorate and Customs Administration.

**344** During the previous period, a large number of cases of smuggling of various types of goods through the territory of Montenegro have been recorded. These are mainly electric technical devices intended for use in households, cell phones, clothing, accessories, and in some cases the smuggling of precious metals (gold and silver) has also been recorded.

**345** Passenger motor vehicles and buses are mainly used for smuggling of the aforementioned goods, and in many cases the smuggled goods are hidden among the luggage of persons crossing the state border.

**346** In some cases of smuggling, there is a suspicion of violation of intellectual property rights. These are cases in which counterfeit clothing items and accessories of world famous brands are smuggled. The largest part of the aforementioned goods is smuggled via different channels from Turkey and China.

**347** Persons involved in these criminal activities mainly establish legal firms engaged in operations of import and export and distribution of various types of consumer goods.

**348** Counterfeit clothing items and accessories can be found in free, uncontrolled sale throughout the market, and their purchases can also be made via the internet. This greatly affects the sale of original items of famous brands.

**349** Smuggling of precious metals is carried out using buses and air transport. These are mostly gold and silver, which are smuggled from Turkey, where they are bought at a much cheaper price, after which their resale at multiple higher prices is carried out in retail stores.

**350** Cases of smuggling of gold and silver from Montenegro to Turkey have also been recorded. It is assumed that these are items that are purchased in Montenegro at extremely low prices and their further sale and processing is carried out in Turkey, after which there is the possibility that they are smuggled back to Montenegro.



**351** All undeclared goods found by customs and police officers during control at border crossing points are seized, and only misdemeanour charges under the Customs Law are filed against persons at whom they are found.

<sup>52</sup> SELEC SOCTA 2013



### Assumptions for future development

**Xp1** – In the following period we can expect an increase in smuggling of counterfeit goods due to the fall of purchasing power of the population.

**Xp2** - The future trend that is expected is smuggling of counterfeit goods via postal centres due to the rapid growth of electronic commerce on the internet, where a wide choice of illicit goods is offered.

### Recommendation

**PR19** Implement a wide national action of co-operation of all competent law enforcement authorities with the aim of enhanced control of

- retail stores where different products of world famous brands are sold;
- cargo ships - container traffic from China and Turkey and
- bus carriers operating from Turkey.

### 3.4.4. Corruption

**352** According to UNODC surveys<sup>53</sup> conducted among citizens of the Western Balkan countries, corruption is on the third place in the ranking list of the most important problems after unemployment and poverty (low living standard). Other problems for citizens of the Western Balkan countries, such as crime and safety, are statistically only in the fifth place.

**353** Even though the criminal offences of corruption committed in some of the countries in the region cannot have a greater direct impact on the situation in Montenegro, certain information collected through regional survey may be useful to identify patterns of behaviour and common characteristics, by which priority preventive and repressive activities of all stakeholders can be focused to main risky areas to a greater extent.

**354** The most common cause of corruption is the bureaucratic system, where a bribe is offered mostly due to the relatively fast benefits for the one who pays, usually to overcome the delay or accelerate certain inefficient public service. From the perspective of the citizens themselves, statistically speaking, corruption is present because of the following:

- Up to 28% Getting better treatment
- Up to 28% Accelerating the procedure
- Up to 16% Avoiding payment
- Up to 12% Completion of procedure
- Up to 4% Obtaining information
- Up to 4% Reducing procedure price
- Up to 2% Avoiding problem

**355** Citizens are much more tolerant to situations when they offer money or gifts to a public official, than when that is a request coming from a public official. In about 43% of cases, the payment of bribes is offered by the citizens themselves although it is not requested from them, in 14% of cases there is a direct request of a public official, while in

31% of cases the request is indirect but understandable to a citizen regarding what needs to be done, and only in 7% of cases there is a third party involved - a mediator.

**356** Citizens of Western Balkan countries who were in a position to give bribe, as well as those who usually take compensation named doctors (57%), police officers (35%), nurses (33%), municipal employees (13%) and to a lesser percentage customs, cadastre or education officers.

**357** In two thirds of cases, bribes are paid in cash, one-fifth in food and drink, and the rest in goods or services. Half of all payments during bribes are done before, and about a quarter after the service has been provided.

**358** Taking into account all these data from different countries of the Western Balkan region, we can assume that these corruption offences will continue to happen in Montenegro, most often in situations where a citizen, because of the bureaucratic system, needs to accelerate the procedure or get better treatment in some of the public medical institutions. It is very likely that a citizen will be the first to offer bribe and in cash before the provision of the service he needs.

**359** Most OCGs, within the scope of their criminal operations, use corruption as a method of work. The motives of using corruption vary depending on each individual case, but generally speaking OCGs choose this type of action with the aim of concealing criminal activities, obtaining the necessary information and avoiding investigations.

**360** Officers of law enforcement authorities, government and judiciary authorities, positioned at all three levels (low, medium and high) are targeted by OCGs. In most cases, money is used as a corrupt means, but exchange of services and offering different types of goods are also present.

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<sup>53</sup> 2011 UNODC Report "Corruption in the Western Balkans"

**361** Corruption, as a method of operation of OCGs, is not only present in Montenegro, but some OCGs also conduct these activities abroad, where they carry out part of their criminal activities.

**362** In some cases, it has been recorded that members of OCGs offer money for no apparent reason, which is motivated by winning over a larger number of persons from different social structures, which suggests that OCGs in this area act proactively in order to provide associates for future situations.

**363** One of the modes that OCGs use in their operations, manifested through the legalisation of money acquired through criminal activities, is also purchase - privatisation of existing companies. This is another area in which OCGs use corruption as a method of work, and their targets are usually persons who cover the top management positions in companies that are the subject of privatisation.

**364** It is important to mention the impact on members of the local government, which is particularly typical for those OCGs which invest a significant portion of their assets in establishment of companies operating in the construction sector. In the above context, the

association between individual members of OCGs with local government representatives, which is especially noticeable when participating in tenders, provides the basis for the existence of indications of corruption. In the previous period, some companies associated with members of OCGs have often, acting as partners, participated in construction of infrastructure facilities with local self-government.

**365** Members of OCGs also use corrupt activities with local government officials in order to facilitate the construction of buildings without appropriate permits, which is especially noticeable in the coastal municipalities.

**366** In addition to the above, we must not ignore the corruption in the private sector, where some members of OCGs have logistic support in banks, which is provided to them when conducting money transactions.

### Assumptions for future development

**Xk1** - It is expected that criminal offences of corruption will usually happen in the future in situations where a citizen, because of the bureaucratic system, needs to accelerate a procedure or get better treatment. It is very likely that a citizen will be the first to offer a bribe and in cash before the provision of the service he needs.

### Recommendation

**PR20** In the following few years, the focus of prevention activities of all government institutions should be directed to removal of bureaucratic barriers in the provision of public services to citizens, as one of the main identified causes of corruption.

### 3.4.5. Money laundering

*“The issue of money laundering is an inevitable phenomenon when it comes to organised crime. This phenomenon could be defined as placement of money gained in criminal activities in legal flows. Criminal activities in which members of organised criminal groups are involved bring them significant income, which creates the possibility for expansion of the existing as well as participation in new criminal activities. The aforementioned activity is carried out in three stages: placement, concealment and integration.”*

**367** OCGs, depending on the level of involvement in criminal activities and the possibility of making profit, carry out money laundering in different ways, starting from opening of off-shore companies, opening of firms operating in Montenegro in various areas, until purchase of movable, immovable and other luxury goods intended for personal use.

**368** Available findings indicate that family members or other persons close to them occupy managerial positions in firms that are under the control of OCGs. Also, immovable property that members of OCGs have purchased with money acquired through criminal activities are usually not registered as their property, but members of their family, friends and close associates appear as the owners.

**369** During criminal activities there is usually cash which is always a risk for criminals in large amounts, either when they need to hide it, transfer or keep, both from their competition and the law enforcement authorities. To physically reduce dimensions of cash, criminals find interesting the exchange for banknotes with high value, such as EUR 500 banknote. However, those engaged in money laundering recently prefer its conversion to electronic form to be able to quickly and easily manipulate it in the virtual world. Various methods that are used for at least part of the money laundering process have been registered in countries of the region. The most common method for concealing the true origin of illegal money is using "phantom" firms, which show fictitious goods and services turnover in their operations, and with the aim of legalising and redirecting deposited funds.

**370** There is also the manipulation of the banking system through obtaining loans with no intention of returning the same. In this segment, money laundering is related to corruption or criminal activities of individuals in banks or other financial institutions who jointly share profit.

**371** Common methods are investing in markets and purchase of real estate, investment funds or shares, and internet bookmakers, as a useful means of cover, is one of the newer methods.

**372** Real estate market, market of games of chance, hospitality and sporting activities have been identified as areas in which money laundering is carried out. Activities of OCGs are manifested in establishment of agencies involved in construction and sale of real estate, opening of facilities in which various kinds of games of chance are organised, as well as opening a larger number of restaurants with a variety of amenities.

**373** Money acquired through criminal activities is not only "invested" in economic flows in Montenegro, but members of OCGs also operate in the markets of countries of the region (Serbia, Bosnia and Herzegovina, Croatia), as well as in some European countries (Greece).

**374** Some OCGs invest money gained through various criminal activities in funding sports clubs, where significant financial resources are once again gained by selling players and by numerous frauds in clubs that are under the control of OCGs.

**375** Available findings indicate that OCGs from abroad, primarily from Russia and Western European countries, invest significant amounts of financial assets in the purchase and construction of real estate complexes.

**376** The methods in which money laundering will continue in the future in Montenegro primarily depend on ability of criminals to identify and take advantage of possible gaps in legislation, the intensity of

operations in the area of shadow economy and the needs of specific economic sectors for large investments, by which they are becoming vulnerable to money laundering. What contributes to the increase of this problem is also the practice of members of organised criminal groups in the region and Montenegro to place money acquired through criminal activities abroad in their countries of origin in various ways.

### **Assumptions for future development**

**Xn1** - It is expected that electronic transactions and electronic payment systems over the internet will be mainly used for money laundering in the following period in Montenegro. New technologies offer possibilities that will certainly be of interest to those involved in crime and money laundering, because they provide the service of fast and secure international transfers of often unlimited amounts of money while guaranteeing anonymity.

### **Recommendation**

**PR21** Investments of law enforcement authorities in specialisation of officials for research and monitoring of systems of electronic payment over the internet as well as for procurement of adequate software tools for investigations in this area should be increased in the following few years.

**PR22** It is necessary to further enhance control of purchase and construction of multimillion value facilities in order to detect direct or indirect connections with the members of OCGs.

### 3.4.6. Property crime

**377** UNODC surveys indicate that citizens in the Western Balkans are mostly concerned by those types of crime that have the greatest psychological effect on the victim or have resulted in a change in their financial situation. These are commonly:

- criminal offences against individuals (theft, assault/threat, robbery) and
- criminal offences against households (burglary, vehicle theft).

**378** Robberies are the most common form of serious violent criminal offences of this type, in which sometimes there are elements of organisation, but they are often focused not on individuals but on the banking and postal institutions, commercial or service facilities, gas stations, bookmakers and the like, where a citizen can become a victim due to circumstances of being in such a facility. In case of robberies, those cases that are taking place in private homes and apartments or in some rare cases during interception of motor vehicles are the ones that cause the greatest concern.

**379** Among the countries in the region, this type of criminal offences are most present in the territory of Bosnia and Herzegovina. In recent years, a few cases where individuals from Bosnia and Herzegovina, most often associated with one or more local associates, have prepared and carried out the robbery in Montenegro in an organised manner have been registered.

#### Assumptions for future development

**Xi-1** Further deterioration of the financial situation of citizens caused by the economic crisis may cause an increase in property crimes unless all actors operating in the field of security take the necessary preventive actions to reduce the possibility for perpetration or deter from committing these crimes.

#### Recommendation

**PR23** Prevention is the cheapest and most efficient way of solving the problem of robberies. In this regard, the focus of activities in the following years should be directed to long-term solutions, such as:

- a) reducing the volume of cash in circulation (favouring electronic payment)
- b) raising the level of compulsory self-protection of all facilities which handle a certain amount of cash on a daily basis, such as gas stations and bookmakers (stipulate minimum standards, for example cash registers separated by blind glass, protective grilles, security officer and the like)

**380** OCGs registered in Montenegro do not conduct criminal operations in the area of property crime (robbery) as their primary activity. However, during the previous period, it has been recorded that members of some OCGs from Montenegro, as well as other persons - who are not members of OCGs, have participated in perpetration of criminal offences in the region (Serbia, Bosnia and Herzegovina), but also worldwide (Western European countries, Japan, Greece...).

**381** In the previous period, the police has initiated a number of prevention campaigns and interviews with partners from private business which is most threatened by these criminal offences (robbery, burglary, theft), but it has not always encountered a willingness at respondents themselves to take measures to protect their facilities.

### 3.4.7. Usury (Loan sharking)

**382** Usury implies taking advantage of difficult financial situation, difficult circumstances, necessity, frivolity or insufficient ability for judgment of the injured party, with the aim of receiving or contracting disproportionate property gain by loaning money or other consumable items.

**383** Criminal operation in the area of usury in Montenegro is a larger problem than it has previously been assumed. It is estimated that in every moment in Montenegro there is at least EUR 30 million of cash given as a loan under usurious interest rate. In this way, about 200 identified persons involved in this type of criminal operations gain profit of up to EUR 70 million during one calendar year.

**384** This criminal activity is registered at members of certain organised criminal groups, and as such represents one of their additional criminal activities. Members of OCGs carry out the aforementioned activity by placing the surplus of available cash resources, with the aim of its multiplication.

**385** The aforementioned activity contributes to strengthening of financial impact of organised criminal groups, which gives them the possibility to significantly expand their field of operation, primarily through involvement in new criminal activities.

**386** The amount of money that is placed on interest rate varies depending on each individual case. Based on the results of the survey conducted, the total amount of money given with interest can be divided in the following manner:

- 20% is the amount of up to EUR 10.000
- 42% is the amount of EUR 10 to 50.000
- 18% is the amount of EUR 50 to 100.000
- 13% is the amount of EUR 100 to 500.000
- 5% is the amount of over EUR 500.000

**387** The most common interest rate is 10% per month. It has also been registered that a small number of persons lend money with interest at an interest rate of 5-7%, in order to place it at an interest rate of 10-12%. Some usurers have their mediators for handing over the money. In a few cases, usury is a family business, or the same is manifested as an activity of a small number of associated persons.

**388** In the majority of known cases of usury, real estate of disproportionately higher value in comparison to amount of money lent, restaurants that already operate as well as motor vehicles are taken as collateral for the funds lent. The aforementioned activities are also followed by drawing up fictitious contracts on purchase of immovable property or contracts on sale of vehicles. It often happens that usurers have legal assistance by lawyers in drafting contracts, acquisitions of immovable property and hospitality facilities and registration of ownership of the acquired immovable property.

**389** The activity of usury is also associated with the perpetration of criminal offences of blood crimes (bullying, causing bodily injury), offences of causing general danger and damage to property of another (planting of explosives, arson on vehicles), as well as criminal offences of kidnapping and extortion. The aforementioned activity is usually carried out by persons who are hired by usurers with the aim of forcible collection of funds lent. In addition to these criminal offences, several cases of suicides of persons - debtors unable to return the money lent by the agreed schedule have been recorded.

**390** In most cases, victims of this type of violence do not report criminal offences, and if they are publicly exposed, they usually do not cooperate with the law enforcement authorities during the investigation, which greatly hinders solving of this problem only by reactive police actions.

**391** It is expected that this problem will continue to increase in the following few years, given the restrictive lending policy by the commercial banks and the lack of cash in circulation (thereby increasing its price), necessary for starting and maintaining operations of small and medium businesses. The demand of the population and the economy for cash remains high compared to small offer, that is ease of its obtaining within legal banking operations. The aforementioned factors, along with over-indebtedness of natural and legal persons, favour risk groups to turn to usurers for the purpose of mere survival or starting risky business ideas.



### Recommendation

**PR24:** In order to reduce the problem of usury, it is necessary that all institutions get more actively involved in its resolution, especially those dealing with the protection of financial interests and money flows, given the estimated amount of money circulating in parallel illegal system of banking operations, by:

- a) **Prevention**, through amendments to regulations and legislation, in order to reduce and limit the manoeuvring space for usurers to carry out their criminal activities and to facilitate to judicial and law enforcement authorities proving and prosecution of perpetrators of these criminal offences, with the possibility of confiscation of their property.
- b) **Intelligence work**, in order to fill the gaps in information about known usurers, focusing on the extent of money given with interest, method of work and identification of potential victims of violence. Special attention should be given to collection of data that indicate association with the aim of conducting usury.
- c) **Repression, aimed at prosecuting usurers** for criminal offences for which the possibility of confiscation of illegally acquired property is envisaged.



### 3.5. Emergence of new threats

**392** In the following period in Montenegro we might expect the establishment of branches of international criminal groups which operate in the territory of several European countries. First of all, we are talking about the emergence of branches of the so-called motorcycle gangs ("Hells Angels" and "Bandidos") which already carry out their criminal activities (smuggling of narcotics, firearms, acts of violence) in the territory of several European countries and countries in the region.

**393** Branches of these OCGs have already been established in the neighbouring countries (Croatia and Serbia), so it is realistic to expect their expansion into the territory of Montenegro.

**394** Citizens of Montenegro, who are perpetrators of criminal offences abroad, on the basis of pre-established connections with members of these gangs, can be key contacts for the expansion and establishment of connections with local criminal structures.

**395** The method of operation of these gangs involves firstly the establishment of local motorcycle clubs that promote adherence to the basic social values. After the formation of a "critical mass", that is gathering the necessary number of members, there comes their transformation into organised criminal groups involved in perpetration of a larger number of serious criminal offences from different areas.

**396** "Bandidos Motorcycle Club" or as it is also called "Bandido Nation" is an organised criminal group - motorcycle gang, whose operation is widespread across the world. It was established in 1966 in Texas - USA. It is estimated that this group consists of around 2400 members, divided into 210 branches, which gravitate in 16 countries of the world.

**397** The largest number of branches of Bandidos are stationed in the United States

and Europe, and they are also active in the territory of Australia, New Zealand and South East Asia.

**398** In Europe, this group operates in the territory of Germany, Italy, France, Scandinavian countries, Belgium and Luxembourg. In recent years, their activities aimed at establishing branches in Russia and countries of Eastern Europe have also been registered. Members of this group are involved in perpetration of a large number of criminal offences from different areas of crime, including: drug trafficking; trafficking in stolen goods; weapons trafficking; racketeering and blood crimes (murder and violence).



## 4. ORGANISED CRIMINAL GROUPS AND THEIR CRIMINAL OPERATIONS

**399** There are currently **20** organised criminal groups actively operating in Montenegro. The existence of 35 organised criminal groups was registered with the previous “Organised Crime Threat Assessment” – OCTA MNE 2011. Reduction of the number of active OCGs is caused by several factors. In that context we emphasise that some of OCGs ceased to exist, some OCGs with smaller number of members merged with larger ones - high-level OCGs, while some OCGs were broken on the basis of police activities undertaken.

**400** With the aim of gaining illegal profit, registered OCGs conduct their primary and most significant criminal activities in the area of international smuggling of various types of narcotics (cocaine, heroin and marijuana), while money laundering, smuggling of excise goods, weapons smuggling, motor vehicles smuggling and usury have been registered as secondary criminal activities.

**401** In addition to primary activities for gaining profit, perpetration of blood crimes and violence is also significant for the functioning of OCGs. Perpetration of the aforementioned criminal offences is motivated by unsettled accounts from joint criminal activities, taking a leading role in criminal operations in a particular territory or market, as well as intimidation and disciplining of own members.

**402** Perpetration of several serious criminal offences related to blood crimes (murders and attempted murders), which may be associated with mutual conflicts between OCGs from Montenegro and their associates from the countries in the region, have been registered during the past two years in the territory of Montenegro and Serbia.

**403** Perpetration of the aforementioned criminal offences affects the security situation in Montenegro and concerns the public, but it also contributes to the creation of a negative image of Montenegro as an unsafe destination, which can especially be seen in

the context of the fact that we are a tourist destination.

**404** The latest registered cases in 2013 indicate that the conflicts between OCGs have culminated and that criminal offences are committed before the eyes of many people, with a real threat that some of the persons who happen to be on scene will be killed or seriously injured.

**405** We would particularly point out the attempted murder of the leader and members of one of the highly ranked OCGs, when according to the planned perpetration of the said offense a large amount of explosives was supposed to be used, which could have had devastating consequences for the life and health of a large number of people. Since the aforementioned event took place on the Montenegrin coast at the beginning of the tourist season, the perpetration of the planned criminal activity would have had devastating political, security and financial consequences for Montenegro.

**406** It has also been registered that leaders of OCGs, for perpetration of the aforementioned offences, hire younger people, who still have not proven themselves in the world of crime, who in such manner provide themselves a place in the OCG, as well as a place in the distribution of profit from criminal operations.

**407** It has been registered in the previous period that certain members of OCGs, as well as persons who cooperate with them in criminal activities, have been changing personal name within the statutory defined procedure. The aforementioned activities are mainly carried out by persons who have previously been deprived of liberty for committing various criminal offences in the territory of the countries of Western Europe. Changing personal name and obtaining new identity documents enable them easier movement in the area of these countries and avoidance of control by law enforcement authorities.

## 408 Profile of OCG\*

**The profile of a typical organised criminal group has the following characteristics:**

- OCG usually has a strong and long-lasting core of key individuals, linked by family or long-term friendly relations, around whom there is a circle of permanent or temporary members, specialists in various areas, and a wider range of available temporary associates.
- The majority of OCGs are simultaneously engaged in completely legal activities, which they use to conceal their criminal activities where necessary.
- Successful OCGs use advanced countermeasures where the method of direct contact "face to face" is the favourite one, and when, due to complex organisation and logistics of smuggling, they must use telecommunications, they do this mostly via anonymous internet services such as "Skype", "Messenger", satellite or prepaid phones.
- There is also a widespread phenomenon of changing or concealing identity, where members of OCGs, who travel a lot, obtain and use forged or stolen original passports, lately usually passports from the Republic of Croatia.
- Violence is often carried out within the OCG, against its members and associates, to maintain the group discipline, and rarely with the aim of expanding operations or debt collection. The majority of cases of violence within organised criminal groups are not recorded by the police, because the victims themselves are criminals who do not want to draw attention to their criminal activities, but mostly resolve problems among themselves.
- OCGs cooperate regardless of their political, linguistic and other differences with other OCGs.

\* OCG - organised criminal group

## **5. ORGANISED CRIMINAL GROUPS**

**(Classified chapter with personal data of members of OCGs)**

At the operational level of action, the Threat Assessment is prepared in a classified version, which in addition to the public part also contains a chapter with descriptions and schemes of organised criminal groups with personal data of their members. The classified version is intended for the police, Prosecutors Office and other bodies and law enforcement authorities in Montenegro, to serve them as a basis for making joint decisions on taking specific, preventive, intelligence or operational-investigative activities directed towards the elimination of priority issues through the implementation of annual Operational Action Plans.

## 6. CONCLUSION - PREDICTIONS, INDICATORS AND RECOMMENDATIONS

Strategic analysis which, among other things, also includes the analysis of current risk and threat assessment, with enhanced intelligence work, is a prerequisite for an effective fight against organised crime. It is a document of strategic importance in the fight against serious and organised criminal offences and corruption and their expansion for a certain period of time.

This document aims to emphasise through analysis the importance of strategic approach in the fight against serious and organised crime, as well as to show the current situation and alarming of certain forms of criminal offences in the region and their influence on Montenegro.

Available findings indicate the existence of various manifestations of organised crime in Montenegro and the immediate surroundings and the region and in its different aspects of manifestation. Those types of crime which are the main threat and can affect the situation in Montenegro have been pointed out.

Factors that favour the development of serious and organised crime in Montenegro are similar to the factors in the surrounding countries and we can define them by type and intensity. In this regard, the following factors particularly stand out:

- Disturbed socio-economic system with the presence of corruption;
- Transition of society and transition of social to private ownership;
- Specific geo-strategic position;
- Presence of social inequality and unemployment of the population and
- Insufficient inter-agency and inter-institutional cooperation.

Proactive approach in the fight against serious and organised crime carries a perspective of change in understanding of our overall capabilities and limitations, and includes, among other things, better use of intelligence information and information derived from strategic analyses (Threat Assessment and Risk Analysis), and with the aim of identifying main priorities in order to create better quality plans for future action.

Beside acting in relation to solving priority issues, all institutions within their regular activities should be continuously working on improving the knowledge, strengthening mutual cooperation, more effective enforcement of laws and national strategic documents, application of best practices, linking information networks and databases, as well as further development of regional and broader international cooperation.

For better visibility of predictions for future developments in Montenegro, and based on the impact of the situation in the region, a tabular overview with indicators and recommendations has been prepared. A number of indicators are suggested for areas of particular importance, while it is necessary to do this for other areas during the preparation of strategic and operational plans.

Priority area	Assumptions for future development	Indicators	Recommendations
<p><b>1. DRUG - HEROIN</b></p>	<p><b>H1</b> - Organised crime in the region has changed the routes that bypass Montenegro;</p> <p><b>H2</b> - Organised crime in Montenegro has modified and introduced the previously unknown entry points, routes or the method of transport of heroin, possibly by sea or by air, and</p> <p><b>H3</b> - Organised crime in Montenegro has more turned to domestic heroin market or other types of drugs, rather than international heroin smuggling.</p>	<ul style="list-style-type: none"> <li>• Larger heroin confiscation in Italy, with origin from ports in Albania and Greece (H1)</li> <li>• Larger heroin confiscation in the ports of Black Sea and along the northern direction of the route (H1)</li> <li>• More intensive direct contacts of Montenegrin smugglers with Turkish OCGs (H1 and H2)</li> <li>• Frequent travel of Montenegrin smugglers to Turkey, Bulgaria or Greece (H1 and H2)</li> <li>• Confiscation of heroin with a higher purity at the port, airport or the trains in Montenegro (H2)</li> <li>• Increasing confiscations of other types of drugs in Montenegro (H3)</li> <li>• Increasing the number of medical problems in Montenegro caused by heroin (H3)</li> <li>• Increasing the number of property crimes committed by addicts (H3)</li> </ul>	<p><b>PR1</b> To minimise the problem of the local heroin market, taking into consideration the limited possibilities of Montenegro to influence external factors - the inflow and reduction of the heroin supply in the region, except through intelligence information exchange, the efforts of all interested parties in Montenegro, in the next three to five years, should be focused with high priority on reducing the demand for heroin, by:</p> <ol style="list-style-type: none"> <li>a) Prevention - reducing the number of existing and emergence of new heroin addicts primarily through the unique program of continuous education and campaigns;</li> <li>b) Repression - focused on local street heroin dealers and reducing their manoeuvring, with constant supervision by all competent authorities, processing and limiting their financial power to continue with criminal operations.</li> </ol> <p><b>PR2</b> In order to make the damage as high as possible and to reduce the power of organised criminal groups from (or with origins from) Montenegro, involved in the smuggling of heroin at the international level, it is necessary to work more on increasing the confiscations of their heroin wherever it is in the world. With this aim, the best results can be achieved by increasing the exchange of intelligence information with all countries along the "Balkan route".</p>

**1. DRUG  
- COCAINE**

**K1** - Organised crime from Montenegro (in cooperation with Serbian and Croatian groups) has continued unabated to participate in smuggling of cocaine on the route South America - Western Europe, but has significantly changed routes and methods;

**K2** - Organised crime from Montenegro is more involved in the smuggling of cocaine via the “Balkan route” or the Black Sea;

**K3** - Organised crime from Montenegro more widely uses the territory of Montenegro for the transit of cocaine.

- Travel or a longer stay of Montenegrin criminals in South America or Africa (K1);
- Continued arrests of seafarers from these areas on board ships with cocaine (K1,K2);
- Increased interest of seafarers for ships that sail the Black Sea (K2);
- Discovered ship with cocaine and our seafarer on the route along East Africa, through Suez Canal, Eastern Mediterranean or Black Sea (K1,K2);
- More frequent travels of Montenegrin smugglers to Greece, Turkey, Bulgaria, Romania or Ukraine (K2)
- Finding cocaine on board a ship or yacht in the Adriatic, which sailed from or to Montenegro (K3);
- Confiscation of heroin with a higher purity in Montenegro, especially on the coast (K3);
- Decrease in street price of cocaine in the local market in Montenegro (K3);
- Members of OCGs originating from Montenegro are associated with ownership or operation of commercial vessels or private airline company (K1, K2, K3).

**PR3** In order to solve the problem with the international dimension of smuggling cocaine, which is created by political and diplomatic problem in the country and international relations, it is necessary to make further efforts to increase the intensity of the targeted collection and exchange of intelligence information with other countries about a relatively small number of people originating from Montenegro, who are involved in cocaine operations, namely to:

- a) Intensify collection of intelligence information about the activities of our known criminals and their associates abroad using diplomatic-consular network and stronger contacts with the Montenegrin diaspora;
- b) Intensify the submission of intelligence information to foreign partner law enforcement authorities about involvement of our citizens and people originating from Montenegro in international cocaine smuggling operations;
- c) For the purpose of better control of targeted collection of intelligence information abroad and more efficient direct exchange with partners, in the following two years build a network of Montenegrin police liaison officers by appointing them at least to the following points:
  - Brazil, for the area of South and Central America and the Caribbean
  - The Republic of South Africa, for South and West Africa
  - Spain, for South West Europe and North Africa
  - The Netherlands, North West Europe and the Nordic countries
  - Turkey, for Eastern Mediterranean, the Black Sea and the Middle East
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<p><b>1. DRUG - MARIJUANA</b></p>	<p><b>M1</b> – The intensity of skunk smuggling via land from Albania through Montenegro for Bosnia and Herzegovina and Croatia will increase, primarily by temporarily associated individuals;</p> <p><b>M2</b> – Port of Bar will be more intensively used for the smuggling of skunk hidden in vehicles boarding the line ferries to Italy;</p> <p><b>M3</b> – The number of marijuana users in Montenegro will increase to the European average;</p> <p><b>M4</b> – The cultivation of marijuana in Montenegro indoors and outdoors will increase.</p>	<ul style="list-style-type: none"> <li>a) Increased quantity of skunk found on route to Bosnia and Herzegovina and Croatia at smugglers who are not members of organised criminal groups (M1);</li> <li>b) Finding marijuana hidden in a vehicle that boarded or is about to board a ferry from Montenegro to Italy (M2);</li> <li>c) Increased number of vehicles going from Albania to Italy through the Port of Bar (M2);</li> <li>d) More frequent travels of Montenegrin skunk smugglers to Italy (M2);</li> <li>e) Increased quantity of marijuana found at minors (M3);</li> <li>f) Increase in the number of criminal offences or traffic accidents under the influence of marijuana (M3)</li> <li>g) Destroying cannabis plantations in Albania (M4)</li> <li>h) Increased percentage of marijuana plants found in Montenegro (M4)</li> <li>i) Finding laboratories for cultivation of marijuana in Montenegro (M4).</li> </ul>	<p><b>PR4</b> In order to reduce the problem of the local marijuana market, given the limited possibilities to influence the external factors from Montenegro - inflow and decrease in supply of marijuana from Albania, other than through the exchange of intelligence information, efforts of all stakeholders in Montenegro in the following 3 to 5 years should be preferably focused on decrease in demand for marijuana among younger users by:</p> <ul style="list-style-type: none"> <li>a) Prevention, with the focus on the risk category of new users (12-15 years of age);</li> <li>b) Repression, aimed at local dealers of marijuana to minors.</li> </ul> <p><b>PR5</b> Increase exchange of intelligence information with neighbouring countries, primarily with Albania, in order to decrease the scope of skunk smuggling through Montenegro.</p>
<p><b>1. DRUG - SYNTHETIC DRUGS</b></p>	<p><b>S1</b> – The use of designer synthetic drugs and prescription medicines which are a cheaper alternative will increase among users in Montenegro;</p> <p><b>S2</b> – Criminals from Montenegro will increasingly be involved in international trade of synthetic drugs and their precursors.</p>	<ul style="list-style-type: none"> <li>• Increased number of websites registered in Montenegro via which the new untested preparations and substances originating from Asian countries are advertised and sold (S1);</li> <li>• Increased interest at local internet forums for buying and selling designer drugs and new preparations (S1);</li> <li>• Increased sales volume in Montenegrin pharmacies of prescription medicines like psychostimulants or other cheaper alternatives for classic drugs (S1);</li> </ul>	<p><b>PR6</b> In order to primarily prevent the occurrence of the problem to a large extent related to synthetic drugs in Montenegro, it is necessary to intensify prevention efforts as has been explained in detail in the National Strategic Response to Drugs of Montenegro. The efforts of all stakeholders in Montenegro in the following 3 to 5 years should be preferably focused on:</p> <ul style="list-style-type: none"> <li>a) Prevention and improvement of the system of early recognition of synthetic drugs, where special attention should be given to finding new designer drugs in Montenegro, which have already been</li> </ul>



		<ul style="list-style-type: none"> <li>• Increased number of medical registered cases with problems caused by taking synthetic drugs (S1);</li> <li>• More frequent travels and contacts of Montenegrin criminals with criminals in the Baltic countries (S2);</li> <li>• More frequent travels and operations of Montenegrin criminals with firms from China/Asia (S2);</li> <li>• Finding larger quantities of precursors in illegal possession or recorded thefts and disappearances of precursors at registered distributors (S2);</li> <li>• The arrest of criminals originating from Montenegro with a larger quantity of synthetic drugs in some of the countries along the Balkan route (S2).</li> </ul>	<p>registered in neighbouring countries, such as:</p> <ul style="list-style-type: none"> <li>• “Spice” synthetic cannabis, substitute for marijuana;</li> <li>• “Crocodile” – desomorphine and codeine, “heroin for the poor” originating from Russia;</li> <li>• “Magic Dragon” contains extracts of dried exotic plants in the form of incense sticks;</li> <li>• or other suspicious substances originating from Asia which are sold via the internet and which contain exotic fragrances and rich flavour and are not prohibited but have a different purpose.</li> </ul> <p>b) Further limit the possibility of abuse of prescription medicines;</p> <p>c) Further enhance monitoring of storage, sale and transport of precursor or risky chemicals in chemical, pharmaceutical and cosmetic industries.</p> <p><b>PR7</b> In its work, the analytical team has not encountered enough relevant data and information based on which a credible assessment of the illegal market in this area in Montenegro could be made. In order to at least roughly assess the current extent of the problem, it is necessary to assess the size of the market of synthetic drugs and prescription medicines as alternative drugs. We suggest that the institutions competent for the area of health and/or interested non-governmental organisations, if they have not already, initiate a project that would at least enable:</p> <ul style="list-style-type: none"> <li>- assessment of the number of users of synthetic drugs and abused prescription medicines;</li> <li>- assessment of required quantities (average daily/annual dose of pills/milligrams);</li> <li>- assessment of retail and wholesale prices;</li> <li>- available types and the most common methods in which users obtain the goods;</li> <li>- assessment of potential profit on annual basis.</li> </ul>
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## 2. ILLEGAL MIGRATIONS

**IM1** – Illegal migrants will continue to come to Montenegro in an increasing number, mainly crossing the border outside border crossing points near Ulcinj, Podgorica, Plav and Rozaje, in groups of 10-20 migrants, with the aim to abuse the asylum procedure, in order to rest for a couple of days, collect money and organise for continuing further journey toward the EU countries.

**IM2** – Organised crime in Montenegro (foreign organisers and their local associates) will intensify activities in the smuggling of illegal migrants from the territory of Montenegro across the Adriatic Sea via smaller vessels, sailing boats or yachts or via land using vehicles of local transporters towards Croatia, directly or indirectly through the border with Bosnia and Herzegovina.

**IM3** – Smaller groups of immigrants and "false asylum seekers" who are traveling alone, when leaving Montenegro will increasingly use the method of discrete going in (without the knowledge of the driver) trailers of trucks whose final destination is one of the EU countries (towards Croatia or via ferry to Italy), and if they are going towards Serbia, they will hire local smugglers or taxis for transport to the border.

- Increased number of foreign citizens who are caught while illegally crossing the state border from the direction of Albania and Kosovo or who are not allowed to enter Montenegro (IM1);
- Increased number of applications for asylum which have been rejected or suspended because the applicant failed to appear at the second meeting/interview (IM1);
- Finding illegal migrants on board in the Adriatic Sea in the direction from or to Montenegro (IM2);
- Finding illegal migrants or "asylum seekers" in vehicles of local transporters or taxis in the border area towards Croatia, Bosnia and Herzegovina or Serbia, or in an accommodation in the border area (IM2, IM3);
- Finding illegal migrants hidden in trailer of a truck which is leaving Montenegro, on ferry, at the port or border crossing towards Croatia or Bosnia and Herzegovina (IM3)
- Increased presence of local transport companies (smaller vans, transporters) and taxi drivers in the border area, especially on the back rugged roads (IM2, IM3).

**PR8** Given that waves of illegal migration are driven by external factors on which we have a very limited ability to influence, in the following 3 to 5 years, all institutions in Montenegro should be preferably focused on making crossing through our territory or temporary stay in it economically unprofitable, long and slow for illegal migrants (individuals or organised groups). All activities should, primarily through prevention, be aimed at eliminating the identified mitigating circumstances that favour illegal migrations and organisers of smuggling of persons, namely we should:

a) Introduce additional mechanisms to prevent abuse of the asylum applications, in order to separate the real asylum seekers who are really in need of protection and help from the "false asylum seekers" who use the process to get a little time, organise themselves and collect money for further journey. In particular:

- emphasise that "certificate of application for asylum" may not be used as a replacement for an identification document, and particularly disable the possible use for conducting financial transactions with commercial banks or post office.
- apply temporary restriction of movement up to 15 days to all asylum applicants whose identity has not been determined. Restrict movement to the territory of Podgorica (far from border area of exit directions of Montenegro) and consider the possibility of prolongation of this measure up to 30 days, because it should not negatively affect the actual asylum seekers who intend to stay in Montenegro for a longer period.

b) Increase the budget in order to engage additional human resources, vessels, aircrafts and procurement of special equipment and techniques for more effective control of the state border and border crossing points, such as scanners and

detectors of carbon dioxide, heartbeats, thermal imaging and night cameras, etc.

**PR9** Make additional efforts in the field of intelligence operations to increase the intensity of the target collection and exchange of intelligence information:

a) Intensify collection of intelligence information about the activities of local transporters operating in the border area who may be associated to the transport of illegal migrants.

b) Intensify exchange of intelligence information with foreign partner services and in particular with police forces of Croatia and Albania, increase the level of exchange of intelligence information about the movement of risky vessels in the coastal area.

**PR10** In the field of operational-investigative activities, engage additional financial and human resources to initiate a long-term field operation (6-12 months) at the national level, similar to the experience of the Greek police, with the focus on:

- enhanced control of Montenegrin land borders with Albania and Kosovo, particularly in critical sectors with a large number of trails or mountain roads in the area of Ulcinj, Tuzi, Plav and Rozaje
- enhanced control of movement of local transport companies (smaller vans, transporters) and taxi drivers in the border area, especially on the back roads and in the direction from the last inhabited settlement to the border.
- additional control of trailers of trucks waiting to board a ferry to Italy.
- enhanced control of movement of vessels across the Adriatic Sea, smaller vessels, sailing boats, yachts and inflatable boats registered abroad, rented in Croatia, or if they are owned or leased by Turkish citizens with temporary residence in Montenegro or by their companies opened in Montenegro.

<p><b>2. HUMAN TRAFFICKING</b></p>	<p><b>For threats regarding prostitution:</b>  <b>T1</b> - Rich clients will increasingly engage young girls in Montenegro or the surrounding counties over the internet or through mediation of "cover" agencies for all-day or multi-day so-called "escort" on yachts or in separate private locations, which will significantly limit the possibility of preventive control regarding whether there are elements of force until it is too late, that is until an act of violence such as beatings, rape or the like happens.</p>		<p><b>PR11</b> Given the phenomenon of "high" prostitution due to increased demand by mostly rich foreign clients, factors whose reduction is difficult to influence, the focus of prevention of escalation of the problem should be directed to increased control of the offer in order to further limit the abuse of minors or to reduce violence. What is typical for this problem is that the victims of violence themselves are not ready to report to state authorities when they or people close to them even have serious security problems, because they themselves are also in the zone of illegal activities (prostitution).</p> <p>a) State authorities and interested non-governmental organisations in Montenegro should once again discuss, review all the options and find an appropriate (legal) control mechanism of voluntary prostitution of adults and their protection, and in order to primarily reduce the possibilities and needs for forcing, violence, abuse of minors and in the end human trafficking for sexual exploitation in Montenegro.</p> <p>b) In its "Report on Risks, Rights and Health" for 2012, the United Nations Global Commission on HIV and the Law<sup>54</sup> recommends that states which have not yet adopted legislation to protect "sex workers" do so, decriminalise "consensual sex between adults" and "voluntary sex work" and precisely separate that in the legislation from human trafficking, sexual exploitation or child abuse.</p>
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<sup>54</sup> UNDP, United Nations Development Programme, "Report: Risks, Rights & Health", July 2012, Recommendations of the United Nations Global Commission on HIV and the Law, page 99 of the Report According to this report, 80 countries in the world have legally introduced a certain level of protection of "sex work" while according to the law it is still punishable in 116 countries or territories.

<p><b>2. HUMAN TRAFFICKING</b></p>	<p><b>For threats to RAE population:</b></p> <p><b>T2</b> – Underage Roma women from Montenegro will more often be taken abroad for pre-arranged forced marriage or domestic slavery;</p> <p><b>T3</b> – Underage Roma will more often be abused for illegal activities such as begging, petty thefts or pick pocketing.</p>	<ul style="list-style-type: none"> <li>• The increased number of underage Roma women (12-17 years of age) who went outside the borders of Montenegro and did not return within one year (T2);</li> <li>• Disproportionately small number of Roma girls attend primary and secondary school (T2);</li> <li>• A small number of underage Roma up to 15 years of age who attend regular (compulsory) primary education and even a smaller number enrolled in secondary school (T3);</li> <li>• A small number of Roma children who regularly attend preschool (T3);</li> <li>• Increased number of underage Roma up to 15 years of age involved in begging at intersections, markets or terraces of bars in larger cities of Montenegro (T3).</li> </ul>	<p><b>PR12</b> Given the examples in the region, frequent involvement of parents or relatives in initiation of the problem by giving their consent to the exploitation of children (forced by economic problems), Montenegro should, in the following 3 to 5 years, with the aim of prevention, establish stronger control and complete records, education and the integration of underage Roma population with the purpose of its additional protection:</p> <ol style="list-style-type: none"> <li>a) Full funding, stricter control and monitoring of regular compulsory primary education of Roma up to 15 years of age, including greater involvement of school psychologists in monitoring and early warning of problems in the family (to prevent school dropout).</li> <li>b) Increasing the number of Roma girls who enrol, attend and complete secondary school</li> <li>c) Increase funding of the state and non-governmental organisations through grants to increase the number of Roma children attending preschool and thereby lowering the lower age threshold and increasing the number of children under control and care of intuitions.</li> <li>d) There should be a greater involvement of the existing RAE institutions and non-governmental organisations in the prevention and reduction of possibilities for the situation of pre-arranged forced marriage or domestic slavery, primarily where underage Roma from Montenegro are taken and exploited abroad.</li> </ol>
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<b>3. ECONOMIC CRIME: EXCISE GOODS</b>	<b>B1</b> – Reduction of the volume of cigarette smuggling is not expected in the following period, but change of certain routes depending on supply and demand or methods of smuggling can be expected. Further increase in excise duties on cigarettes, first in Croatia and then in Serbia in the following years, to nearly triple the current level, in accordance with EU directives in this area, could have the greatest impact on the change in the direction of smuggling of cigarettes through Montenegro. The direction of smuggling will depend on the increase in price differences of the same brand of cigarettes in different countries, but also on reduction of living standards of consumers who, affected by the crisis and raising of prices, can once again be more focused on the black market.		<b>PR13</b> In order to further reduce the possibilities for smuggling of excise goods across the Montenegrin border, in the future period we should: <ul style="list-style-type: none"><li>a) Enhance controls on alternative crossing points in the border area to Kosovo and have stricter control of documentation and loading of suspicious vehicles at border crossing points to Serbia</li><li>b) Intensively exchange intelligence information with neighbouring countries about topical brands of cigarettes for smuggling (with or without excise stamps), the differences in their price and the possible presence on the illegal market of Montenegro</li><li>c) Identify methods of placing smuggled goods in legal trade flows without registering and paying VAT</li><li>d) Conduct researches on smuggling of goods to and from the territory of Montenegro and, within researches, identify methods of smuggling of goods from other territories to the territory of Montenegro</li><li>e) Identify foreign destinations from which excise goods are imported and conduct control of companies involved in their import.</li></ul>
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<p><b>3. ECONOMIC CRIME: CYBER CRIME</b></p>	<p><b>C1</b> - An increase in the volume of credit card frauds can be expected in Montenegro in the following period. A growing number of internet users and new electronic services, particularly electronic payment via the internet in Montenegro, are especially risky environment in which payment card frauds can further expand in the future.</p> <p><b>C2</b> - An increased number of cases of identity theft can be expected in the following period, especially if we take into account the rapid development of e-banking. Social networks like "Facebook", "Twitter" and similar will increasingly be a perfect field for hacking of accounts and terminal devices (computers) where data stored on them are obtained. Different types of blackmail may appear as a result of the above activities.</p> <p><b>C3</b> - The development of the internet and various ways to exchange multimedia content will be used in an increasing extent for the purpose of different forms of child pornography (Skype, peer-to-peer technologies, GigaTribe).</p>		<p><b>PR14</b> It is necessary to undertake activities to oblige providers of services of electronic payment via the internet in Montenegro to introduce additional security systems and authentications of clients, in order to protect users from abuse, and to provide the necessary information to law enforcement authorities for carrying out investigations or monitoring.</p>
<p><b>4.1 WEAPONS</b></p>	<p><b>Xo1</b> - We assume that smaller quantities of weapons hidden in private vehicles will continue to be smuggled to Serbia and Kosovo from Bosnia and Herzegovina, through the territory of Montenegro, primarily intended for personal arming of criminals from Montenegro and countries in the region, and only to a lesser extent for further illegal trade to citizens.</p>		<p><b>PR15</b> In the following period, attention should be given to two particularly risky areas for smuggling of weapons across the border of Montenegro. One is the area of the tri-border area of Montenegro, Serbia and Kosovo between Rozaje, Novi Pazar, Mitrovica and Pec, and the second area is along the border of Montenegro and Bosnia and Herzegovina, in the triangle Pljevlja, Pluzine and Foca.</p> <p><b>PR16</b> Enhance security measures of the factory for the production of explosive devices "Poliex" in Berane, in order to prevent thefts of various types of explosives from the aforementioned factory in the following period.</p> <p><b>PR17</b> Like in other countries in the region, the</p>

			<p>problem of availability of firearms in the possession of criminals and a large number of citizens is also prominent in Montenegro. Given that it is difficult to influence the great offer, the focus in the following period should be directed at reduction of the demand, that is increase in the risk of sanctions for those who illegally possess weapon or carry it with them:</p> <p>Higher penalties should deter the general population of both citizens and criminals from carrying any firearm in public places, and in particular, greater sanctions should be stipulated for possession of weapons for the so-called “offensive purposes”, which are used for settling of accounts among criminals, such as automatic rifles, snipers, silencers, rocket-propelled grenades, various bombs and explosive devices. In this way, the state can act preventively on reduction of the number of criminal offences committed with the use of firearms.</p>
<p><b>4.2 MOTOR VEHICLES</b></p>	<p><b>Xv1</b> - Individual vehicle thefts will continue to happen in Montenegro, usually for the purpose of their dismantling for sale of spare parts. Small private workshops - garages in the suburbs of major cities are particularly risky places for storage and cutting of stolen vehicles, while car dumps are risky locations for sale of spare parts obtained in this way.</p> <p><b>Xv2</b> - The territory of Montenegro will be less interesting as a final destination, but rather for transit of pre-ordered stolen vehicles or for illegal trade in spare parts obtained from stolen vehicles. The direction to which attention should be paid is Prijepolje - Pljevlja, because of connections of criminal groups from Montenegro and Serbia, especially for vehicles stolen in Belgrade, as well as the border between Bosnia and Herzegovina and</p>		<p><b>PR18</b> In order to further reduce the possibilities for criminals to sell spare parts obtained by cutting stolen vehicles, enhanced controls of small private workshops - garages and car dumps in suburban areas should be conducted in the following period, with the aim of determining the origin of more expensive car spare parts.</p>



	Montenegro for vehicles stolen in Sarajevo Canton.		
<b>4.3 SMUGGLING OF GOODS</b>	<p><b>Xp1</b> – In the following period we can expect an increase in smuggling of counterfeit goods due to the fall of purchasing power of the population.</p> <p><b>Xp2</b> - The future trend that is expected is smuggling of counterfeit goods via postal centres due to the rapid growth of electronic commerce on the internet, where a wide choice of illicit goods is offered.</p>		<p><b>PR19</b> Implement a wide national action of co-operation of all competent law enforcement authorities with the aim of enhanced control of</p> <ul style="list-style-type: none"> <li>• retail stores where different products of world famous brands are sold;</li> <li>• cargo ships - container traffic from China and Turkey and</li> <li>• bus carriers operating from Turkey.</li> </ul>
<b>4.4 CORRUPTION</b>	<p><b>Xk1</b> - It is expected that criminal offences of corruption will usually happen in the future in situations where a citizen, because of the bureaucratic system, needs to accelerate a procedure or get better treatment. It is very likely that a citizen will be the first to offer a bribe and in cash before the provision of the service he needs.</p>		<p><b>PR20</b> In the following few years, the focus of prevention activities of all government institutions should be directed to removal of bureaucratic barriers in the provision of public services to citizens, as one of the main identified causes of corruption.</p>
<b>4.5 MONEY LAUNDERING</b>	<p><b>Xn1</b> - It is expected that electronic transactions and electronic payment systems over the internet will be mainly used for money laundering in the following period in Montenegro. New technologies offer possibilities that will certainly be of interest to those involved in crime and money laundering, because they provide the service of fast and secure international transfers of often unlimited amounts of money while guaranteeing anonymity.</p>		<p><b>P21</b> Investments of law enforcement authorities in specialisation of officials for research and monitoring of systems of electronic payment over the internet as well as for procurement of adequate software tools for investigations in this area should be increased in the following few years.</p> <p><b>P22</b> It is necessary to further enhance control of purchase and construction of multimillion value facilities in order to detect direct or indirect connections with the members of OCGs.</p>
<b>4.6 PROPERTY CRIME</b>	<p><b>Xi-1</b> Further deterioration of the financial situation of citizens caused by the economic crisis may cause an increase in property crimes unless all actors operating in the field of security take the necessary preventive actions to reduce the possibility for perpetration or deter from committing these crimes.</p>		<p><b>PR23</b> Prevention is the cheapest and most efficient way of solving the problem of robberies. In this regard, the focus of activities in the following years should be directed to long-term solutions, such as:</p> <ol style="list-style-type: none"> <li>a) reducing the volume of cash in circulation (favouring electronic payment)</li> <li>b) raising the level of compulsory self-protection of all facilities which handle a certain amount of cash on a daily basis, such as gas stations and</li> </ol>

			<p>bookmakers (stipulate minimum standards, for example cash registers separated by blind glass, protective grilles, security officer and the like)</p>
<p><b>4.7 USURY</b></p>	<p><b>Xz-1</b> It is expected that this problem will continue to increase in the following few years, given the restrictive lending policy by the commercial banks and the lack of cash in circulation (thereby increasing its price), necessary for starting and maintaining operations of small and medium businesses. The demand of the population and the economy for cash remains high compared to small offer, that is ease of its obtaining within legal banking operations. The aforementioned factors, along with over-indebtedness of natural and legal persons, favour risky groups to turn to usurers for the purpose of mere survival or starting risky business ideas.</p>		<p><b>PR24</b> In order to reduce the problem of usury, it is necessary that all institutions get more actively involved in its resolution, especially those dealing with the protection of financial interests and money flows, given the estimated amount of money circulating in parallel illegal system of banking operations, by:</p> <ul style="list-style-type: none"> <li>d) Prevention, through amendments to regulations and legislation, in order to reduce and limit the manoeuvring space for usurers to carry out their criminal activities and to facilitate to judicial and law enforcement authorities proving and prosecution of perpetrators of these criminal offences, with the possibility of confiscation of their property.</li> <li>e) Intelligence work, in order to fill the gaps in information about known usurers, focusing on the extent of money given with interest, method of work and identification of potential victims of violence. Special attention should be given to collection of data that indicate association with the aim of conducting usury.</li> <li>f) Repression, aimed at prosecuting usurers for criminal offences for which the possibility of confiscation of illegally acquired property is envisaged.</li> </ul>

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## Preparation

Serious and Organised Crime Threat Assessment in Montenegro was prepared by the Working Team for the preparation of strategic documents of the Police Directorate of Montenegro, consisting of strategic and operational police analysts, and on the basis of data obtained on the situation, dynamics and trends in serious and organised crime from police reports and assessments, intelligence information, analytical presentations, researches and other reports prepared by relevant national institutions and international and regional police and other organisations, as well as using a wide range of publicly available sources.

**Police Directorate Team for preparation of strategic documents**

**November 2013**



## Upcoming events

### Activities through IPA 2012

The needs for further development of National Intelligence Model have been recognised by both the Government of Montenegro and the EU partners, and as such are included as a measure in the Action Plan for the negotiation chapter 24. Expert assistance to further align the methodology of preparation of strategic documents and achieving standards in management policies and long-term strategic and operational planning of fight against serious and organised crime will be supported by EU pre-accession funds during 2014-2015 through IPA 2012 project.

### Regional Project of Serbia, Macedonia and Montenegro (OSCE/DCAF)

Additional support to strengthening of capacities for strategic analysis and strategic assessments in criminal police of the Ministries of the Interior of Montenegro, Serbia and Macedonia is also provided through the regional project organised by OSCE/DCAF, which will be implemented within the following two years.

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