

Summary

Extensive crime

International organised crime groups are estimated to account for almost half of all burglaries and a clear majority of vehicle and boat theft. It is estimated that a large quantity of the stolen goods is shipped abroad.

Estimated percentage of stolen goods taken out of the country

Type of crime	Percentage taken out of the country
Burglary/theft/robbery	30–50 per cent
Bicycle theft	2–15 per cent
Theft of boat/boat engine	70–90 per cent
Theft of/from vehicle	70–90 per cent

Source: Larmtjänst AB.

Fraud is increasing sharply in statistics of reported crime. Just over 200 000 cases of fraud are reported annually and 60 per cent of them are cybercrime. And the percentage is growing.

These figures are remarkable and show that it is high time for society to react vigorously against crime, not least as it impacts people's security substantially. Theft and burglary, particularly in homes, are perceived by those affected as offensive and create insecurity. This is also true of cyberfraud, where the perpetrator uses modern technology to enter our homes, leading to insecurity that is difficult to deal with.

Thus, we have two types of crime that affect people's quality of life, and can therefore be called *modern-day quality-of-life crime*. Even if there have always been crime groups, we are now seeing a much higher degree of professionalism in crime, where both thieves and stolen goods disappear outside Sweden's borders. The impact of the internet and the increasingly cashless society has opened the door wide to cyberfraud.

International organised crime groups

Anchor persons and anchor locations

A considerable percentage of theft in Sweden is perpetrated by international organised crime groups. Their activities can be compared to a well-established business with high financial gain as the highest priority. The crime is characterised by a high degree of organisation, great mobility that ignores national borders, and extensive technological skills. These groups steal vehicles, vehicle parts, boat engines and store goods, but also steal from older people.

Since a mark of this crime is efficiency and large volumes, it is dependent on a number of functions and well-developed logistics. A principal – *commissioner* – abroad engages a *provider* (often a compatriot) to carry out the theft. After entering Sweden, the providers are aided by *anchor persons* – often compatriots that are already established in Sweden. The anchor persons are responsible for practical tasks such as inspecting suitable crime scenes, organising places to live for the providers and a place to store the stolen goods – *anchor location* – until they can be shipped abroad. However, some of the stolen goods are sold directly in Sweden. Unlike “traditional” crime involving theft, the perpetrators are to a great extent unknown to the police, as they are often in Sweden only while the assignment is being carried out.

Critical stages of the crime

There are four critical stages of the international organised crime groups’ approach, targeting which would probably be particularly effective: Entry into Sweden, dependence on anchor persons and anchor locations in Sweden, movement of stolen goods out of Sweden and, where applicable, sale of stolen goods in Sweden.

As regards entry to Sweden and moving stolen goods out of Sweden, already now extensive work is being done as a consequence of a government assignment to the Police Authority, the Swedish Customs Service and the Swedish Coast Guard to intensify the fight against the crime groups’ activities in Sweden with some emphasis on border controls. However, we do not see any corresponding measures directed at anchor persons, who are important facilitators of crime, or anchor locations, nor at the Swedish receiving stage, where it is a matter of selling stolen goods at places in Sweden.

The Commission's proposed measures

Focus on anchor persons and anchor locations

Trygghetskommissionen (the Commission for Crime Prevention and Increased Security) proposes that the police place greater emphasis on continuously identifying anchor persons and anchor locations, as well as on how the stolen goods are dealt with in Sweden. In view of this information, there should be continual efforts, including targeted operations, against the organised crime groups' activities.

Self-regulation in relevant sectors

Companies are the victims of some of the activities of international organised crime groups, but there are also companies that are complicit by buying stolen goods. This applies not least to large quantities of food and other everyday commodities. As regards the sale of stolen goods in Sweden, the Commission proposes that measures must be taken in the first place by the respective industrial sector. The most effective way of preventing the sale of stolen goods is probably effective self-regulation.

Cyberfraud

Developments in society have meant that in principle it is now no longer possible to obtain large sums of money by robbing banks, shops or cash-in-transit vehicles. The increasingly cashless society and higher security around the cash that is still used, have meant that the prospects for "traditional" cash theft are considerably worse.

Today the big money is to be found instead in the digital environment and to access it, people and IT systems must be manipulated. There has been a shift from crimes of theft to cybercrime, that is from *taking* to *deceiving*.

Cyberfraud is perpetrated in a digital environment that is becoming more and more advanced and occupying an increasing proportion of society. In addition, it is organised and systematic, which in turn means that it can be perpetrated very extensively and that the fraudster can more easily act anonymously.

A characteristic of cyberfraud is that it is not possible to exclude from our homes in the same way as burglary, with locks and security alarms. Instead, cyberfraud infiltrates our private lives through homes that are increasingly internet-connected and the services we have come to depend on in everyday life.

Critical stages of the crime

Cybercrime also has some critical stages. For the fraudsters to be successful they must get into the digital environment where the money is. This can be done for example by tricking the victim into allowing the fraudster access to internet bank accounts or by the fraudster using stolen card details to make purchases. The second critical stage is when the fraudster accesses the proceeds of the crime. Examples of this are transfer of money to accounts controlled by the fraudster or delivery of goods sent as postal packages.

The Commission's proposed measures

The police should redefine their role

At present more than 200 000 fraud crimes are reported annually. With such a large volume of reported crime, along with the crime being characterised by anonymous perpetrators, possibly in other countries, the Commission considers that the police hardly have the capacity to make a greater impact on cyberfraud. The role of the police should therefore be redefined as regards cyberfraud. In our opinion it is particularly important to discuss three aspects of this work.

- In the first place, it concerns *which* crimes of fraud the police should investigate, since it is impossible to investigate all fraud that is reported.
- In the second place, it concerns the prospects of recovering the proceeds of crime, since effective recovery can considerably reduce the incentive to even engage in crime
- In the third place, it concerns increasing knowledge in the area and keeping it up to date. This also includes maintaining the IT skills and investigation tools of the police in relation to technological developments.

If the police lack the capacity, the question arises of who instead will play an important role in law enforcement. In such a discussion we have identified three primary alternatives to improve the effectiveness of the work against crime.

- Other public authorities than the Police Authority, such as authorities with various supervisory and control functions, can be provided with crime investigation units to relieve the work of the Police Authority.
- In a similar way to how anti-fraud operations are organised in the

United Kingdom, private actors could be allowed to finance criminal investigation by the Police Authority.

- Since criminal investigation in effect is already conducted by private actors, the police should to a greater extent than at present make use of the knowledge and competence that exists within the private sphere in this respect.

However, the extent and structure of cyberfraud means that the solution lies principally in the area of crime prevention.

Set up an IT Ombudsman

IT development is driven by private actors focusing on providing simple and fast solutions. In our opinion the crime prevention aspects have not been given much priority in that work. The problems that have emerged in the form of criminal attacks have been left to the justice system to solve. Therefore, in practice the users, both private individuals and businesses, have been left to their fate.

Consequently, we believe that the position of users must be strengthened in relation to the IT development industry that does not prioritise crime prevention, and the police that do not have the capacity to deal with the escalating crime in this area. Put plainly, it is a matter of pursuing the interests of the users in this area, in which three main tasks can be identified: provide users with knowledge in the IT field, identify necessary improvements in terms of security and engage in advocacy in relation to both manufacturers and providers of IT solutions and legislators.

By setting up an IT Ombudsman, society would have a broad platform to give the questions the dignity they require, and it would be possible to devote concentrated and long-term efforts to security and safety in this area.

Two reports – the same message

Apart from this report on modern-day quality-of-life crime, the Commission has previously published the report *Aktiviera samhället mot livs-kvalitetsbrott – Trygghetskommissionens förslag på hur säkerhet och trygghet ska kunna öka i människors vardag* (Activate society against quality-of-life crimes – proposals from the Commission for Crime Prevention and Increased Security to increase safety and security in people's

everyday lives). The reports differ on a number of points, not least as regards the safety and security aspect. The first report, which addressed disadvantaged areas, focused on security in the external environment, while the focus of this report on international organised crime groups and fraud is more on security in the “internal” environment (the home and finances).

However, there are some factors that we have repeatedly highlighted as important for crime prevention, law enforcement and security building in society and that at an overall level are common to the various areas of crime in the reports:

- **Make room for innovation:** The Commission has met very extensive and broad commitment to crime prevention, law enforcement and security building work, which should be better put to use. At the same time there is a thirst for knowledge and frustration that the work has fallen into a rut, and in several cases has also proved to be ineffective. Consequently, there is a clear demand for innovation.
- **Mobilise untapped resources:** There are currently great untapped resources in the work of reducing quality-of-life crime and increasing security. This may be either because the resources have not been recognised for the assets they are, or because for various reasons they have not been given space. To be able to use these resources, the market benefits that may ensue from reducing crime and increasing security must be recognised and affirmed. One example is that property prices will probably increase as areas become more safe and secure at the same time as people therefore want to move there. Another is that secure payment solutions can be expected to be more preferred, thus increasing the revenue they generate. The great potential that exists in the business sector must have, and be allowed to have, economic incentives to become involved in these issues.
- **Make places safe and secure:** The significance of location is one of the keys to the success of the work. Crime prevention measures should be implemented to a greater extent in the physical environment. It must be possible to use a greater degree of situational crime prevention to reduce crime.

In the course of its work, the Commission has become more and more convinced that quality-of-life crime can be reduced by allowing new

actors to contribute to crime prevention, law enforcement and security building. All that is required is that we make room for more innovation, that we mobilise the untapped resources and that we always keep in focus the significance of location and environment to crime and security.