



**REPORT
OF THE ACTIVITIES OF THE
SECI REGIONAL CENTER
2002**

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NOTE: This **R E P O R T** is partly based on the Reports of the Legal, Administrative and Operational Support Departments, Reports and documents of the Task Forces and the Statistical Dates of the Liaison Officers.

ACTIVITY OF THE OPERATIONAL SUPPORT DEPARTMENT

I. General overview of Operational Activity

The Annual Action Plan for 2002 was developed and submitted to the JCC for approval. The Annual Action Plan of 2002 established the main operational goals of the SECI Regional Center. In accordance with the mentioned document the Center played a unique role in the region. It is the only cooperative initiative for operational purposes; it differs from INTERPOL because of the co-location of Customs officials that serves as a confederation of countries supporting efforts to facilitate trade, collect customs duties and develop an investment environment by countering the effects of transnational crime; and, does not duplicate EUROPOL because with the exception of Greece, none of the member states are members of the European Union. Moreover, the SECI Center covers a specific territory, namely Southeastern Europe.

I. 1. Principles of Operation

In accordance with the Strategic Plan the Center provides a venue for member countries to exchange law enforcement-related, operational information in a quick and timely manner, as well as to coordinate multi-national investigations in the Balkan region. The method is:

- Requests for regional assistance are sent to the Center from the individual country through their Liaison Officer;
- The Liaison Officer then disseminates the information to the appropriate country liaison officers.
- The responses of the requests are forwarded by the appropriate liaison officers to the origin country.

The Center also serves in a coordinating role for regional task forces. The SECI Center had four task forces in operation in 2001: a Drug Trafficking Task Force, headed by Bulgaria; a Task Force on Trafficking in Human Beings headed by Romania, a Commercial Fraud Task Force headed by Croatia and a Customs Valuation Task Force headed by Albania.

The JCC approved additional proposals for establishing new task forces in 2002; a task force on financial crime led by FYR of Macedonia; a task force (TF) on stolen vehicles led by Hungary; a Task Force on trafficking of small arms, led by Albania, and a task force on trafficking of strategic materials, led by Romania. Proposed task forces were established during 2002 in expectation of trafficking of strategic and nuclear materials, as it will be included in the Anti-Terrorism task force in 2003.

The terrorist attack on September 11, 2001 opened a new chapter for combating terrorism and the related organized crime phenomenon. The JCC immediately recognized that the usual way of fighting terrorism is not sufficient and effective. There is a need for a new approach for combating

terrorism and it was expressed in a declaration and a resolution that identified the related issues of the SECI Regional Center. Upon these documents a workshop was initiated and its experts developed a concrete plan for the fight against terrorism.

I. 2. National Single Point of First Contact (National Focal Point)

As part of the agreement founding the Southeast European Cooperative Initiative (SECI) Regional Center for Combating Trans-border Crime, Member States are required to establish a National Point of First Contact (National Focal Point - NFP). The purpose of the NFP is to provide a contact point between the SECI Center and its nation. The NFP fulfills two roles; first, it acts as a clearinghouse for information requests sent from the Center, ensuring that requests are sent to the proper authorities in its country; and, second, it acts to gather the responses, and return them to the Center. Capabilities of NFPs increased and at the same time they effectively provided appropriate assistance in order to promote exchange of information in 2002.

I.3. Liaison Officers

In January 2001 – two police liaison officers were assigned to the SECI Center but by the end of the year 2001, 15 liaison officers were assigned to the Center from nine countries (8 from customs, 7 from police). By the end of 2002 twelve Member States were represented by 19 liaison officers / 10 customs and 9 police / at the SECI Regional Center. They represent the interest of their countries and at the same time take part in the common activities of the Center.

Our colleagues are well trained, experienced and they have a strong commitment to the SECI Center's mission. The members of the Center formed a unified team. As a result of the well-motivated team, the SECI Regional Center has increased the dynamics of the operational activity.

Police and Customs liaison officers managed 1129 requests as country representatives and 511 additional requests were forwarded by them as members of the Operational Coordination Unit of the regional Operations Containment and Mirage. Also, they have a significant role in the coordinated investigations in which at least three law enforcement agencies of countries unify their efforts.

They are the project managers of the seven existing task forces and a workshop on terrorism. In this regard they drafted the necessary documents including terms of reference, regional action plans and evaluation reports in close cooperation with the task force coordinators and Head of the Operational Support Department. They had an important role in the implementation of the regional operations, and their coordination contributed directly to the final results.

The Liaison Officers were more involved in representation of the SECI Center at several international events and international projects.

In accordance with the increase of the Liaison officers' team the capacity of the SECI Regional

Center has been extended.

II. Counteraction of Trans-Border Crime

The SECI Regional Center has been providing support to the liaison officers and organizing task forces in the main fields of combating trans-border crime. In accordance with General Standards and Procedures for the Processing of Information the cooperation was achieved among the different law enforcement agencies. Under the umbrella of the SECI cooperation 3245 requests were initiated, 1129 managed by liaison officers, 615 in respect of Operation BULLDOG II and 876 regarding Operation CUSVAL I, 114 Operation CUSVAL II, 398 Operation CONTAINMENT, 20 ORIENT EXPRESS, 93 Operation MIRAGE.

1. COUNTERACTION OF DRUG TRAFFICKING

The 3rd Task Force Meeting was held March 21-22, 2002 at the SECI Center with participation of nine SECI member States and two observers.

One interdiction operation was initiated and approved at the third task force meeting in March 2002. Through several preparatory meetings a detailed Operational Plan called Operation "Containment" was developed. All the technical conditions were provided on international and national levels.

Bulgaria, as coordinator of the task force had a significant contribution to the operation. The participating states were: Albania, Bosnia and Herzegovina, Bulgaria, Greece, Hungary, FYR of Macedonia, Moldova, Romania, Turkey, Ukraine, Russia, USA, FR of Yugoslavia and Germany.

DEA provided analytical and operational expertise as well as facilitated the sharing of information and intelligence through their officers at the SECI Center and around the world. The German Customs Criminal Office (ZKA) served as central point for the BALKAN-INFO System and supported the operation by providing information, intelligence as well as undertaking necessary operative measures in regard to Germany.

Sharing of Intelligence

During the interdiction process 398 information requests were sent from various NCPs to the international OCU at the SECI Center. In most cases, the OCU responded to official NCP inquiries within one hour as required in the operational plan.

Seizure Information

The total seizures of Operation Containment are as follows: 35 seizures of which 29 were for drugs. Some seizures resulted in the seizure of more than one type of controlled substance. The total

amount of seized drugs was 2306.563 kilograms, 14 marijuana seedlings and 1574.050 metric tons of precursor chemicals. During this operation additional non-drug seizures included 24.869 kilograms of jewelry, 60,413 EURO, \$11,369 USD, 5 pistols and 170,150 packs of cigarettes. The total arrested persons during this operation was 46.

The main purpose of Operation Containment was to seize as much Southwest Asian (SWA) heroin as possible before it reached the working markets in Western Europe. From 29 drug seizures that occurred during the operation 15 of these seizures were heroin destined for countries like Germany, Hungary, Italy and the Netherlands. In all, 583.902 kilograms of heroin were seized by the SECI member countries during this search operation. The average heroin seizure was of approximately 38.93 kilograms. The estimated value of the heroin seized by the SECI member countries during this operation was between 10-17 million US dollars.

Significant Seizures

On June 8, 2002, the Bulgarian National Customs Agency seized 80.146 kilograms of heroin at the Malko Tarnovo checkpoint between Bulgaria and Turkey. The heroin was seized from a Peugeot van from a specially built false bottom floor compartment located under the seats of the van. After dismantling the rear seats and the wooden floor of the loading compartment a metal lid was discovered which led to the discovery of the heroin. The driver of the van, a Bulgarian national, was arrested as a result of the seizure.

On June 12, 2002, the Hungarian Customs and Finance Guard seized 84.16 kilograms of heroin at the Nagylak border checkpoint on the Hungarian-Romanian border. The heroin was concealed in the spare tires of a refrigerator truck with Turkish plates. The driver of the truck was identified as a Turkish national and was arrested. The truck contained more than 20 tons of cucumbers and was destined for Germany. The consignor was also Turkish, while the consignee was German.

Greek Customs Officials seized 25.324 kilograms of heroin and arrested one Kosovar Albanian on June 15, 2002, at the Kakavia Border Post between Greece and Albania. The heroin was destined for Germany. A Polish national and a Kosovar Albanian were believed to be traveling with the carrier, but were not arrested.

The first precursor chemical seizure of Operation Containment was made on June 17 when the Security Service of Ukraine seized 1574 metric tons of Toloul from a ship in the Black Sea port of Kerch. Toloul is a generic name for Toluane, a precursor chemical used to convert cocaine base into cocaine HCL. The chemicals were seized from the Turkish ship Selen. The consignor was Anglo Balkan Company Commercial Trading Limited and the consignee was Rubezhansky Chemical Plant in Luganskya Oblast, Ukraine. The chemicals arrived from Haifa, Israel via Turkey. According to Ukrainian authorities, freight forwarder, an Ukrainian national, attempted to import the Toluol using a forged import certificate.

On June 20, 2002 the Turkish National Police seized 65.7 kilograms of heroin from a bus in Istanbul and arrested three individuals. The men, two Turks and the Hungarian bus driver were attempting to smuggle the heroin to Hungary.

Romanian authorities made a seizure on June 22 at the Bors Frontier Gate on the border with Hungary. Customs Officers there seized 30.3 kilograms of heroin from a hidden compartment inside a Mercedes Benz mini-van after a dog alerted positive to narcotics. The driver of the van, Polish national was arrested. He attempted to enter Romania at the same border gate on June 17 and again on the 18, but was denied entrance both times, because of problems with his documents. He then entered Romania on June 19 at Salonta, approximately 70 kilometers south of Bors and traveled to the Black Sea city of Constanta, where he allegedly obtained the heroin.

Turkish Customs seized 12.3 kilograms of hashish hidden in the spare tire of a truck from Iran on June 25, 2002. The drugs, seized at the Haydarpasa Seaport, were destined for Germany. The driver and passenger, both Iranian males, were arrested.

On July 4, 2002, Albanian Customs authorities seized 1720 kilograms of marijuana at the Kakavia border crossing point. The drugs were concealed in the refrigerator part of an Albanian registered tractor-trailer. The truck became suspicious to customs officials at the border checkpoint, because two months previously, Greek police on the other side of this border crossing seized two tons of marijuana from a similar truck. The truck was traveling from Tirana with a destination of Patra, Greece. The marijuana was packaged in 2400 packs each of them containing 800 grams. One Albanian, was arrested as a result of this seizure.

On July 4, 2002, the National Customs Agency of Bulgaria seized 11 kilograms of heroin from a passenger car and arrested the driver and passenger. The seizure occurred along the Iovkovo border checkpoint between Bulgaria and Romania. The heroin was concealed in a spare tire of a Renault Chamade. According to the offender's statement the heroin was loaded in Istanbul, Turkey before being driven through Bulgaria.

On July 5, 2002, the General Customs Directorate of Romania seized 41.960 kilograms of heroin under the rear seats and rear quarter panels of a passenger car driven by Romanian national. Romanian Customs Officials denied her entry into Hungary because she had no documents justifying a business trip to Hungary. A subsequent search of the Romanian national convertible VW Cabrio resulted in the seizure.

On July 10, 2002 the Bulgarian National Customs Agency reported the seizure of 229.550 kilograms of heroin. The heroin was seized at the Kapitan Andreevo checkpoint on the Bulgaria-Turkish border. The heroin was concealed in a Turkish registered truck in a specially built compartment in the ceiling of the tractor-trailer. Two Turkish nationals were arrested. The owner of the truck, tried to mislead the border control authorities by moving his truck into an area of outgoing trucks bound for Turkey (although he was bound for western Europe). After this incident the border control authorities examined the truck and found the heroin. This heroin shipment was loaded in Turkey and had a final destination of the Netherlands.

The National Customs Agency of Bulgaria seized 108.86 kilograms of marijuana on July 12, 2002 at the Kapitan Andreevo border crossing point between Bulgaria and Turkey. The marijuana was concealed in a specially built compartment located in the fuel tank of the truck. The truck's route

was opposite the traditional Balkan Route as it departed Albania, transited FYROM, and was seized in Bulgaria before it reached its destination of Turkey.

Continuing Investigations

One of the main objectives of Operation Containment was to gather detailed information related to individual seizures in order that joint investigations could be initiated to target the larger drug trafficking organizations in the region. As a result of several seizures that occurred during the operation new intelligence was obtained on a previous investigation targeted by SECI Center as well as the development of a new investigation was facilitated.

2. COUNTERACTION OF HUMAN TRAFFICKING AND SMUGGLING OF MIGRANTS

The 4th Task Force Meeting was held during March 25-26, 2002 at the SECI Center. The participants were: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Hungary, FYR of Macedonia, Moldova, Romania and Turkey as member states, France, Germany, Italy, Interpol, Ukraine, United Kingdom and US as observers; additional organizations IOM Office from FYR of Macedonia, IOM Office from Romania, UNDP, Stability Pact Task Force, UNMIK a.o. participated.

Representatives presented the situation of human trafficking. A Proposal for the One Time Action (Mirage) for Combating Trafficking in Human Beings and Smuggling of Migrants was submitted to the participants. They agreed on the necessity of organizing a common action on human trafficking and illegal migration (Mirage).

In order to assist victims of human trafficking effectively Stability Pact Task Force on Combating Trafficking in Human Beings, IOM and NGOs were involved in Operation Mirage.

Romania, as the coordinator of this “One-Time Action”, made enormous efforts to ensure the highest standard of coordination.

The main goals of Operation Mirage were:

- The identification of trafficked women in foreign countries and their repatriation to their origin countries through the coordinated activity of Law Enforcement agencies, international organizations, institutions, missions and NGO's;
- Identification of the criminal groups and members of the groups that are dealing with trafficking of women;
- Initiation of common investigations with Law Enforcement agencies of the countries against criminal groups;
- Identification of smuggled people in foreign countries and identification of the criminal groups and members of the groups that are dealing with smuggling of people through

- coordinated activity of the Law Enforcement agencies, international organizations, institutions, missions and NGOs;
- Initiation of common investigations against them in close cooperation with Law Enforcement agencies of the countries.

Implementation and results

Operation MIRAGE was implemented during September 2002. Albania, Bosnia and Herzegovina, Bulgaria, Croatia, FYR of Macedonia, FR of Yugoslavia, Greece, Hungary, Moldavia, Romania, Turkey, Ukraine, and UNMIK took part actively in the Operation. Interpol, EUROPOL and Observer States from Western Europe did not participate in the Operation although they were invited.

During the agreed time of the Operation all the participants operated according to their national plans and to the adopted methodology. Information and requests for assistance were exchanged through the SECI Center.

Evaluations show positive results were achieved. 93 requests were initiated by the participating law enforcement agencies.

Concerning statistics of Human beings trafficked:

- 20 558 controlled places; Night clubs, discothèques, restaurants, border crossing points and other places were checked throughout the region, especially those related to previous intelligence obtained.
- 1738 identified women; these persons have been found in places such as mentioned above, and checked regarding identity, legal stay in the respective country as well as their presence at the controlled places.
- from the total number of identified women 237 proved to be trafficked persons or potential victims of trafficking. 23 of them have been assisted by IOM and NGOs, while the rest of them were subject of preventive measures such as interdiction of leaving or entering a certain country.
- 293 identified traffickers; this figure represents the number of persons identified as being involved in human trafficking as recruiters, transporters, hosts and pimps.
- 293 cases which criminal procedure was initiated; investigations are continuing in many of these cases after the operation ended, with the purpose of identifying all the accomplices and members of networks.
- 2933 cases for which administrative measures have been undertaken (fees,

interdictions temporary imprisonment, expelling).

Concerning smuggling of migrants:

During the operation 1762 illegal migrants were identified throughout the region, crossing borders on foot or by different means of transport, 369 of them being repatriated. Among the illegal migrants were citizens of Iraq (45), Afghanistan (36), China (22), Tanzania (3), Sri-Lanka, Sudan, India and of other countries from the region.

241 forged IDs and travel documents were discovered and 73 persons were identified as smugglers, the total number of cases for which criminal procedure was initiated is 153. At the same time 6113 cases related to illegal migration administrative measures, such as fees, interdictions, expelling and others, have been undertaken.

Conclusions of Operation Mirage

Operation MIRAGE was the first regionally coordinated and conducted activity within South Eastern Europe in the field of Trafficking in Human Beings and Illegal Migration.

Also it was the first time when Law Enforcement agencies, International Organizations and institutions such as IOM and Stability Pact as well as Non-governmental Organizations worked together on a national and regional level. All the participants understood and realized the dimensions of this phenomenon and totally involved themselves in this regional effort, according to their particularities and specific needs.

This phenomenon affects not only Southeast Europe but also Western Europe so that the active participation of observers from WE will be critical in the follow up activity.

Operation Mirage shows the SECI Regional Center has the capacity for organizing and coordinating a complex law enforcement operation involving a wide range of actors of combating trafficking of human beings and smuggling of migrants.

1. COUNTERACTION OF FINANCIAL CRIME

Financial and computer crimes are some of the most sophisticated and advanced criminal phenomena. The economies of the countries of SEE are particularly sensitive to the effects of financial crime. At the same time the European Union and the USA are at a disadvantage because of the lack of investigative mandate of its territories. The current trend in the scheme of financial crime shows that criminals exploit the Hi – Tech technology for their purposes and they cause large amount of damages not just for individuals but also for institutions all around the world. Known cases of counterfeiting currencies especially the US dollar and the new trend of counterfeiting Euro, growing number of reported frauds with counterfeited payment cards, and Internet frauds are characteristic of financial crime in Southeastern Europe.

Law enforcement agencies with insufficient legal structure, limited financial and personal sources and inefficient and very bureaucratic international law enforcement cooperation cannot adequately combat new forms of financial and computer crime.

This circumstance has created the necessity for various law enforcement agencies to coordinate their investigative efforts within and out of the SEE Region. In order to develop the most effective cooperation for law enforcement FYR of Macedonia initiated the establishment of a Financial Crime Task Force.

The first Task Force Meeting was held in February 2002 in Skopje, FYR of Macedonia. Albania, Ten countries were represented at this event. The Strategy Plan and Annual Action Plan for 2002 was adopted. It was agreed that under the umbrella of this Task Force four sub-projects will be developed in the following years, namely on the field of counterfeiting currency, payment related crime, money laundering and computer crime.

The main goals of the first year of operation were to create a complete picture on the status of the organized crime activity on the field of counterfeiting currency and payment related crime. Also we will attempt to identify specific criminal groups and carry out joint investigations through international cooperation of law enforcement. Former Yugoslav Republic of Macedonia has the role of coordinator of the Operation.

The evaluation indicates the necessity for a closer cooperation with Interpol, EUROPOL, US Secret Service, Credit Card Industry and Visa International.

Financial Crime cases

During the year 2002 twelve independent cases were identified on counterfeited currencies – Euro, US dollar - and payment card frauds in which the SECI Center has coordinator role or facilitates cooperation between law enforcement agencies.

1. COUNTERACTION OF TRAFFICKING OF SMALL ARMS AND LIGHT WEAPONS

During the preparatory phase of the creation of the task force it was concluded that illegal possession of small arms, light weapons and, in particular, their smuggling and the arming of terrorists and organized crime groups poses a global threat today, calling for cooperation among all countries. Widespread and ready availability of these types of weapon to a large number of individuals constitute one of the most serious threats to the stability of the countries in SEE. Concerning the close link between terrorism, organized crime, trafficking in drugs and the illicit

trade in small arms, it is time to stress the urgency of international efforts and cooperation aimed at combating this trade from both a supply and a demand perspective.

In detecting the methods and means used, a great importance is played on cooperation which should exist among police and customs of the states by establishing, where appropriate, sub regional and regional mechanisms, in particular trans-border customs cooperation and networks for information sharing among law enforcement, border and customs control agencies, with purpose to prevent and combat illicit trade in small arms across borders.

National institutions should be strengthened to control arms transfers through monitoring, tracing, policing and legislation. The specific measures need to be taken for the harmonization of legislation and for creation of improved coordination between agencies that deal with illicit proliferation of national and regional levels.

A regional approach can provide more security and make it difficult for arms trafficking. Based upon the SECI Agreement and our experience, we should agree on the importance of strengthening and deepening cooperation between our countries and relevant international organizations on developing agreed norms and measures at the regional and national levels that would reinforce and coordinate efforts to prevent, combat and eradicate the illicit trade in small arms in all its aspects.

In accordance with the necessity of the SECI States the Task Force was established in 2002 and the first task force meeting was organized in Albania April 5, 2002. Representatives of the countries agreed on the strategy and the annual plan for the task force including the first project.

In addition, the SECI Center has been paying close attention to the regional developments regarding this issue. This is the reason why the Center was represented at several events such as the first Steering Committee Meeting for Small Arms in Skopje and in Belgrade at the seminar on "Enhancing Security in Balkans" organized by "Saferworld", Yugoslavian Red Cross and Yugoslavian Ministry of Interior. Meetings and discussions were carried out with representatives of Saferworld, OSCE, UNDP, Stability Pact Table III, and Clearing House /SESEC/ in Belgrade and at the SECI Center.

In those meetings the SECI Center introduced the operation plan and exchanged ideas on different aspects regarding its first operation. This also helped to understand the situation throughout the region and moreover, gave the chance to get know and contact other institutions and organizations that deal with repression of Small Arms Trafficking.

An International Workshop on Preventing and Combating Trafficking in Small Arms and Light Weapons was organized by the SECI Regional Center and Saferworld, in association with the Ministry of Public Order of Albania and supported by the UK Government September 09-10, 2002 in Tirana, Albania. Fourteen states and five international organizations were represented at this event.

At the end of the meeting conclusions were made regarding to the future operational activity of the task force.

Significant seizure reports of the first operation

Albania, FYR of Macedonia and Turkey have reported 60 criminal investigations and 91 small arms seizures in this regard. Moreover, nearly 20.000 of ammunition and explosives were seized. The issue is to extend the circle of participants of this cooperation and intensify their supply of data in order to foster the creation of a regional picture on the situation of trafficking of small arms and light weapons.

TRAINING: Members of the task force agreed that efficiency and capacity of their cooperation should be strengthened through specific training. The main topics will be practice knowledge, and international legislation. The SECI Center will cooperate with other bodies as Saferworld, OSCE, SEESAC, New Scotland Yard, and Finland's Ministry of Interior in the planning of training needs and for its implementation.

5. COUNTERACTION OF COMMERCIAL FRAUD

The third Meeting of the Task Force was held April, 2002 in Zagreb. Sixteen countries were represented and the following international organizations: RILO Office of WCO for Eastern and Central Europe, UN/ECE.

It was decided that one special operation would commence June 15, 2002 and conclude September 14, 2002. Operational Plan was adopted as presented by the Croatian Customs.

Goals of operation were the control of movement of cigarettes / through export – import / identification of the black holes for smuggling and seizure of smuggled tobacco.

In accordance with the previous agreement operation was conducted June and concluded in September 2002.

Evaluation of Operation BULLDOG 2

Bosnia and Herzegovina, Bulgaria, Croatia, FYR of Macedonia, Greece, Hungary, Moldova, Romania, Slovenia, Yugoslavia and UNMIK in Kosovo were involved in the exchange of information.

Available information indicates that during Operation BULLDOG 615 requests were initiated by the participants. As a result of the communication of customs administrations in 30 cases 1 135 733 packs of cigarettes and 74200 cigars were seized at an estimated total value of \$2 370 000 US dollar. Croatia initiated the most control of movement of cigarettes (320 cases). Seizures were conducted in 15 cases in Croatia, in 8 cases in Hungary, in 6 cases in Turkey, in 1 case in Bulgaria.

6. COUNTERACTION OF CUSTOMS VALUATION FRAUD

Second Meeting of the SECI Center Task Force on Combating Customs Valuation Fraud (TFCV) was held in Tirana, on April 22, 2002. The General Directorate of Albanian Customs Service organized and hosted the 2nd CVTF Meeting.

Customs experts represented four Administrations and the EU funded-Customs Assistance Mission to Albania (CAM-A) attended the meeting as well.

In principle Continuation of cooperation was decided in principle in the area of fighting Customs Valuation Fraud in the SECI Region.

In accordance with conclusions of 2nd TFCV meeting, a special training was organized for experts and the follow up operation prepared for a period of six months.

Commodities subject of this operation: Due to the fact that valuation fraud is the most common customs offence, it makes sense to try coverage of most commodities traded in the region.

SECI members that officially expressed their interest for taking part in the operation have appointed their Persons of Contact, participants are: Albania, Bosnia and Herzegovina, Bulgaria, Hungary, Romania, Moldova and UNMIK-Customs.

During the first active sub-phase, till December 10, 2002, participants have exchanged 114 messages among themselves and Albanian OCU.

According to the OCU in Tirana, the Albanian Customs received two pre-shipment messages on Albanian imports, one from UNMIK Customs and one from Bosnia & Herzegovina. In both cases, Albania has discovered discrepancies. In one case discrepancies were essential, so Albanians were able to recover revenues, increased by penalties.

Proposal for merger of Customs Valuation and Commercial Fraud Task Forces

An analysis was conducted to explore the possibility of a merger of the two existing customs orientated task forces from professional-, organizational-, and financial points of view. It was theoretically agreed by customs experts that in due to avoid overlapping and duplication of efforts, to use available resources more effectively and these task forces should be combined into one in 2003.

1. COUNTERACTION OF STOLEN VEHICLES

The first Task Force Meeting was held April 29-30, 2002 in Budapest. Eleven states and EUROPOL were represented.

The Strategic Plan and the Action Plan for 2002 were adopted by the members of the Task Force.

Mission of the Task Force

Our purpose is to decrease the risk of this vehicle criminality committed by organized crime groups. The increase of the risk of re-registration, re-circulation of the vehicles in the SECI member states is a huge threat.

Goals:

- Exchange information on vehicle registration and documentation system
- Review of vehicle originality system in every SECI member state, the use of a unitary method
- Sharpen the control and the rules of the activity of vehicle trading firms.

Objectives of the Task Force

The strengthening of the international cooperation is important - as mentioned above – on two fields. The harmonization of the registration and circulation system of the SECI Center member states is of great importance. The reason is that the illegal markets of stolen vehicles must be blocked in a tight structure or be eliminated. If the fight against stolen vehicles criminality is not based on an approved standard basis and implemented by all member states of the SECI Center, than the success, which the authorities reach, is a temporary achievement.

The exchange of information must be rapid and reliable on the activity of criminal groups connected to international organizations. As many criminal groups as possible must be located and eliminated in the region of SEE.

Strengthening the practical law enforcement cooperation regarding: 1./ abstraction and trade of luxury, great value vehicles 2./ abstraction and trade of mass product vehicles (lower price) 3./ abstraction and trade of vehicles, which origin is from fake insurance documentation.

Exchange of experience

The Investigative Division of the Criminal Department within the Hungarian National Police developed a “Guide of Tools used in Car-Theft” in purpose of being used for the identification of modus operandi of criminals. The electronic version of the Guide is provided for the SECI Center and its members for practice.

First OPERATION - initiated in 2002.

Scope of operation

During Operation participating law enforcement agencies collect strategic information on the stolen vehicles phenomenon then disseminate the collected data and information. The SECI Center Stolen Vehicle Task Force’s (SVTF) first action focuses on checking the wanted vehicles in the databases

of the SECI member states, with the purpose of finding data on the stolen vehicles, respectively stolen vehicles legalized and circulated in other SECI member state.

8. COUNTERACTION OF TERRORISM

The Bucharest Declaration on the suppression of terrorism was issued by the JCC at the 10th JCC Meeting on September 13-14, 2001. Declaration encourages the exchange of information between the SECI Center members relating to the criminal organizations closely tied with terrorism, including information regarding resources and support of these criminal groups. Also it was declared that the SECI Center supports the harmonization of national legislation regarding criminal procedures, investigation, prosecution etc. in order to effectively repress international terrorist activity. Turkey has stated its commitment for coordinating the efforts for the most appropriate implementation of the Declaration in the frame of a workshop.

In accordance with the Annual Action Plan for 2002 the Strategy and a Proposal for establishing a specific Task Force were drafted with the coordination of the Turkish Police Liaison Officer and experts, also the international legal aspects were conducted in a separate working document by the Legal Department.

One workshop meeting was organized during July 1-2, 2002 within the SECI Regional Center. The participating countries were the following: Albania, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, FYR of Macedonia, Germany, Greece, Hungary, Interpol, Italy, Moldova, Romania, SECI Center, Spain, Stability Pact, Turkey, UNMIK, USA. The list of participants indicates that a high level of attention followed the activity of the Workshop.

SECRETARIAT

a. Meetings and travels

The Secretariat of the SECI Center has organized all the meetings arranged at the premises/by the SECI Center (Annex 2).

All the necessary support has been provided to the management and liaison officers in order to attend the international meetings, where the SECI Center or the countries representatives have been invited.

b. Correspondence March 1, 2002 – October 1, 2002

The registration, administration and performance of the external and internal correspondence have been done as a daily duty.

External correspondence: 430 sent and 385 received

In this respect, dedicated folders have been set up for each activity/field of interest and the Archives of the SECI Center have been maintained.

c. Notifications by the Parties

The Parties have notified the Secretariat on:

- The (new) appointments of the JCC members and Liaison Officers, as well as Task Force members, contact persons a/o;
- National Focal Points updated coordinates
- Candidatures for the SECI Center management positions

d. Registration of the Members of the SECI Center

The Secretariat, in close cooperation with the Administrative Department, has provided assistance to the SECI Center members for their registration in Romania, cars registration, as well as the access to the Diplomatic Club, Diplomatic Hospital and Diplomatic Shop.

e. Petty cash

Assistant to the Director of the Administrative Department has ensured the primary accountancy and the cashier services.

Observation: The amount of time dedicated to this activity increased a lot, by the existence of five accounts and the multiplication of the financial operations of the SECI Center. The working time for the petty cash activity amounts 3 hours a day.

f. Support of the management

Directors have an assigned assistant in order to support him or her in the fulfillment of the specific tasks of the department coordinated by them.

g. PR Activities

- The US Observer to the SECI Center developed a Press Release on the Witness Protection Project, which was disseminated to the major international and Romanian media agencies, as well as, through the Romanian diplomatic missions to the main international organizations, to the embassies of the SECI states and Permanent Observers.
- The SECI Center hosted on June 5, 2002 the Panel Discussion on the partnership between law enforcement and the private sector. On this occasion, the SECI Center promoted the image of a catalyst organization of the regional efforts made by law enforcement authorities, NGOs and private sector. A Press Release was issued on the event.
- Periodical update of the website of the SECI Center, in close cooperation with the IT Expert.

ACTIVITY OF THE LEGAL DEPARTMENT

1. Implementation of the SECI Agreement and all relevant agreements and regulations for its implementation

During the year 2002 the SECI Center properly implemented the SECI Agreement and all relevant regulations, paying special attention to the exchange of information and the protection of personal data.

According to the Rules of Organization and Operation of the SECI Center the Legal Department

gave permanent advice on the proper implementation of existing regulations as well as International Law. Three very important documents, which were adopted by the Joint Cooperation Committee in 2001 (General Standards and Procedures for the processing of Information, Rules on Data and Information Access, Control and Deletion and the Security Manual), were a priority for the Department.

Related to the appropriate implementation of the SECI Agreement, The Legal Department started to work on a strategy in order to ensure a close co-operation between Law enforcement and judicial authorities. In this respect in 2001, a Witness protection project was initiated started, which continued in 2002. The Project was developed in close cooperation with the US legal adviser, seconded to the SECI Center. A high level meeting of the general prosecutors from the Southeast European countries was organized and was hosted by the General Prosecutor of Former Yugoslav Republic of Macedonia. The meeting took place in Ohrid, FYR Macedonia April 17 – 18, 2002.

This project is in the initial stage. For the year 2003 we are planning to involve experts from the Ministries of justice from the member countries in order to achieve our preliminary goals.

The Legal Department supports the operational activities of the SECI Center by helping some of the Task forces in giving them legal advice and the relevant International legislation. The workshop on terrorism, held on July 1 – 2, 2002 at the SECI Center was support by the Department.

In 2001 a draft Agreement between SECI Center, the Government of Romania and ICPO Interpol was prepared regarding communication connectivity for exchange of information. The Agreement was signed on 21.02.2002 at the SECI Center on the occasion of the presentation of the Annual Activity Report and its implementation to start in 2003.

2. Co-operation with the Observer countries

In 2002 the Joint Cooperation Committee granted status of Permanent Observer to Azerbaijan, Spain, Georgia and Canada. Presently the status of Permanent Observer is given on the basis of an exchange of letters, which define the terms and the conditions of cooperation.

3. Cooperation with Stability Pact - Working Table III and SPOC

The SECI Center is fully aware of the importance of cooperation with the projects of Stability Pact in field of the combating organized crime. Following this, in 2002 special attention was put on the closer coordination of our common activities. We started discussions for the establishment of the SPOC Secretariat in Bucharest in order to improve the efficiency of the cooperation between the SECI Center and projects of the Stability Pact - Working Table III. The negotiations are ongoing between the Stability Pact, Romanian Government and the SECI Center. We expect in the beginning of 2003 they will be finalized by signing a Memorandum of understanding and the SPOC Secretariat to be established in Bucharest. This will give us the possibility to work together on common projects and the final result will be a favorable one.

The cooperation with the Stability Pact, Working Table III and the SECI Center resulted organization of a working seminar under the Research project on exchange of information on organized crime in Europe. The seminar was for law enforcement officer and prosecutors from the countries of Southeast Europe and was held July 19-20, 2002.

A Project on cooperation between the SECI Center and Businesses was developed in close coordination with the Stability Pact and SECI-Vienna. On 05 June 2002 a meeting was held at the SECI Center with representatives from the Private Sector. The main issue was how to strengthen the cooperation between the Law enforcement authorities and the Private sector in order to combat organized crime and improve the environment for legitimate business. Discussion took place on the establishment of a regional network between Law enforcement and the private sector for the facilitation of the international trade.

4. Cooperation between SECI Center and other International Institutes

The Legal Department prepared and submitted for approval to the JCC the following agreement on cooperation: Agreement on Cooperation between the SECI Center and Central European Initiative and Agreement on Cooperation between the SECI Center and Southeastern Europe Clearinghouse for the Control of Small Arms and Light Weapons. The two agreements were approved at the 15th session of the JCC, 2002.

ACTIVITY OF THE ADMINISTRATIVE DEPARTMENT

The approved budget for 2001 and 2002 was \$ 400,000 USD and, in accordance with the budgetary structure also approved by the Joint Cooperation Committee (JCC), the Center has a monthly dedicated amount of approximately \$ 33.300 USD (33.300 USD x 12 months = 399.600 USD) divided in two chapters: Chapter A "Salaries" (19.000 USD/month) and Chapter B "Other expenses" (14.300 USD/month).

During the year 2002 the scheduled expenses amounted 402.900 USD from which 225.700 USD for "Salaries" and 177.200 USD for "Other Expenses". The real expenses were in value of 407.220 USD (221.650 USD for "Salaries" due to the fact that 100 USD/month is the retribution for the cashier activity and 185.570 USD for "Other Expenses"); the real expenses are with 4.320 USD more than the planned amount.

It is worth mentioning that during this period the activity of the Center developed rapidly (instead of three task forces as it was in the beginning the Center has now seven task forces and a working group), the operational activity increased, the Center's liaison officers have participated actively in numerous meetings, seminars, training courses, within the Center there were organized and hosted many meetings in different fields, even operative actions were coordinated from the Center. During year 2002 the number of liaison officers increased with 4 persons, which led to the increase of telecommunication costs, external travels and costs for consumables. In the same time, the size of information exchange increased considerably.

By the financial contribution of US Government, the SECI Center was able to support the

costs (approximately 29.183 USD) related to transportation, accommodation, daily allowance and other expenses for a number of 100 experts from customs and police administrations of the member countries who participated in 5 meetings organized in different fields.

In the same manner, the participating countries (excepting Greece) have totally received more than 100.000 USD, each country being granted the amount of 8.000 USD as financial support for the actions undertaken in the fight against human beings trafficking.

During 2002, 77 external travels were carried out, for which it was spent in total the amount of 57.247 USD.

Regarding the endowment of the Center, during this period there have been finalized the construction works for the entrance tunnel, for the rooms located at the main entrance, as well as for the training and meeting room. In this respect, a substantial support was received from the Romanian Government, which spent over one million USD (constructions, equipment, furniture a/o).

During this period there have been purchased a number of 13 notebooks and 13 printers, computers, sound, translation and video-projection equipments; the training room was endowed at the highest standards.

It is clear that all those achievements had not been possible if the management of the Center didn't succeed to find extra-budgetary resources. Thus, there have been concluded three protocols with the USA Department of State:

- Protocol between the SECI Center and the Government of the United States of America concerning the title grant in amount of 125.000 USD offered by the US Government for supporting the activities of the SECI Center in developing trainings and combating drugs trafficking;
- Protocol between the SECI Center and the Government of the United States of America concerning the title grant in amount of 140.000 USD for supporting the activities of the SECI Center Task Force on combating human beings trafficking in conducting Operation Mirage;
- Protocol between the SECI Center and the Government of the United States of America concerning the title grant in amount of 92.000 USD for supporting the activities of the SECI Center Workshop for Combating Terrorism

by which the Center has received the total amount of 357.000 USD. From this amount there have been spent 190.471 USD, so the remaining sum is 166.529 USD that will ensure the development of the protocols related to the three above-mentioned projects.

In conclusion, the management of the Center has ensured during this period the proper conditions for the liaison officers so that they may accurately carry out their activities, ensured the paying of all the Center's liabilities towards its suppliers, framed into the scheduled table of expenses and succeeded to attract supplementary funds to the budget of the Center used for the development of several projects and programs extremely important for the fight against transborder crime in fields such as drug trafficking, human trafficking, terrorism a/o.

COOPERATION WITH OBSERVERS, INTERNATIONAL ORGANIZATIONS AND OTHER INSTITUTIONS

The States that were granted observer status at the SECI Regional Center up to present are the following: Austria, Republic of Azerbaijan, Belgium, Canada, France, Germany, Georgia, Italy, Spain, Ukraine, United States of America. Denmark, Nederland, Poland, U.K. and Russia are on the on-going process of being granted observer status. The Republic of Belarus has recently expressed its intention to become an observer to the SECI Regional Center.

The following Agreements on Cooperation, Memoranda of Understanding and Protocols have been signed up to now between the SECI Regional Center and different international organizations:

- Agreement on Cooperation between the SECI Regional Center and IOM /International Organisation of Migration/; The SECI Regional Center has also received observer status to the IOM;
- Memorandum of Understanding on cooperation between the SECI Regional Center and EULEC /European Institute for Law Enforcement Cooperation/;
- Memorandum of Understanding between the SECI Regional Center and USAID /the United States Agency for International Development concerning specified computer, audiovisual, communications and other equipment/;
- Memorandum of Understanding on cooperation between ICMPD /International Center for Migration Policy Development/;
- Agreement between the SECI Center, The Government of Romania and ICPO Interpol on Communication Connectivity for exchange of information.

The following Memoranda of Understanding are in on-going processes of signing:

- MoU with Interpol;
- MoU with WCO;
- Strategic Agreement with EUROPOL;
- MoU with The Association of Legal Career Women from the Republic of Moldova / Center for Prevention of Trafficking in Women/
- MoU with SEESEC /South Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons/;
- MoU with Central European Initiative /CEI/. Un-institutionalized cooperation was established with:
- Stability Pact Initiative on Organised Crime including a specific Task Force on Trafficking in Human Beings;
- European Commission in respect of combating customs valuation fraud;
- Saferworld in respect of combating trafficking of small arms and light weapons;
- UNDCP regarding trafficking of drugs;
- Center for International Crime Prevention of UN in respect of counter activity of terrorism
- UNDP Trafficking in Human Beings in Southeastern Europe.

Conclusion:

The SECI Regional Center has become more and more respected on international level as the only

existing practical law enforcement cooperation in Southeast Europe. Independent states and international organizations are interested in our activity; also they are seeking the opportunity to engage in the regional cooperation. This positive trend characterizes the enlargement of the cooperation network of the SECI Center. Besides this reasonable progress it has to be emphasized the necessity of a more intensive collaboration with Interpol, WCO, EUROPOL and the Western-European countries.

Annex I

**EXECUTION OF EXPENSE BUDGET
YEAR 2002**

A. SALARIES	USD	
	SCHEDULED	ACHIEVED
Expenses for salaries during 01.01.2002 – 30.11.2002	209.000	210.100
Expenses for salaries during December 2002	16.700	11.550
TOTAL (A)	225.700	221.650

B. OTHER EXPENSES		
Telecommunications	63.000	74.998
IT Maintenance	9.250	3.795
Utilities	34.000	11.808
Consumables	17.900	13.265
Travels and Meetings	41.000	67.951
Incidentals	12.050	6.559
TOTAL (B)	177.200	178.376
GRAND TOTAL (A+B)	402.900	400.026
1* BANK COMMISSION	-	5.466
2* LOSES DUE TO EXCHANGING RATES	-	1.728
TOTAL (1* + 2*)	-	7.194
TOTAL (A+B+C)	402.900	407.220

Annex 2

**CURRENT SITUATION OF THE
SUBMISSION OF THE FINANCIAL CONTRIBUTIONS OF THE MEMBER
COUNTRIES TO THE BUDGET OF the SECI Center**

- 2002 -

- USD -

COUNTRY	AMOUNT OF THE CONTRIBUTION
ALBANIA	20.000
BOSNIA AND HERZEGOVINA [*]	40.000
BULGARIA	40.000
CROATIA	40.000
GREECE	80.000
HUNGARY	40.000
FYR OF MACEDONIA	20.000
MOLDOVA ^{**}	10.000
ROMANIA	40.000
TURKEY	80.000
TOTAL	410.000

→ AMOUNT EXISTING AT 31.12.2002 IN THE SECI CENTER BANK ACCOUNT:

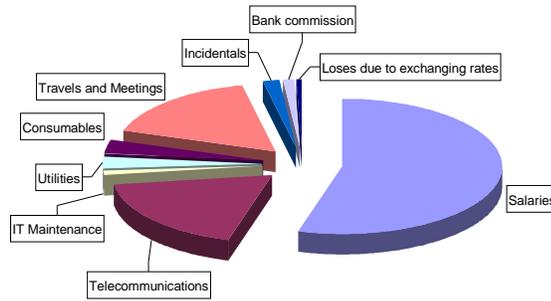
147.154 USD

Annex 3

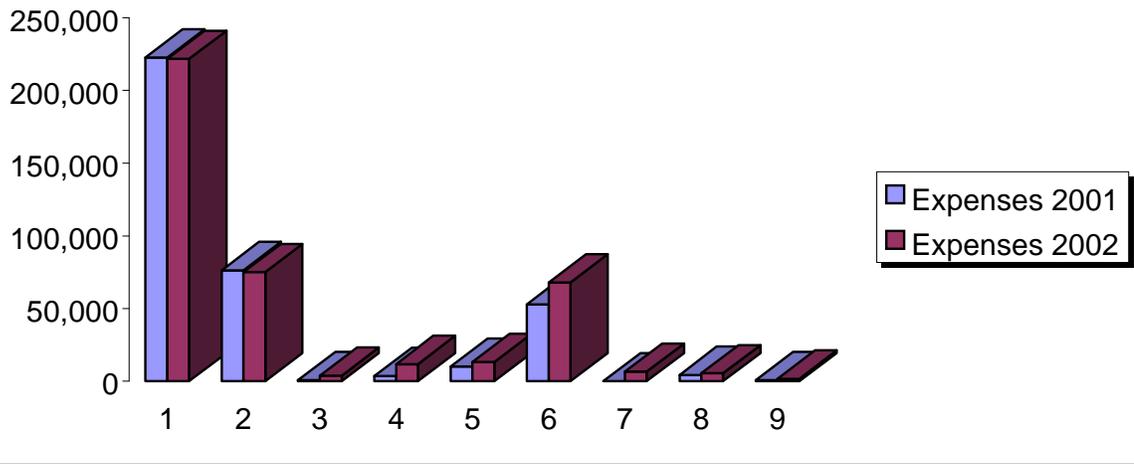
* Bosnia and Herzegovina submitted its contribution for 2001 and 2002.

** Moldova submitted half of its contribution for 2002.

Structure of expenses carried out during 2002



Comparison between SECI Center Expenses for 2001 and 2002



1. Salaries
2. Telecommunications
3. IT Maintenance
4. Utilities
5. Consumables
6. Travels and Meetings
7. Incidentals
8. Bank commissions

