

Combating transnational crime and cybercrime

Globalisation is not restricted to economies – it also extends to crime, and more needs to be done by law-enforcement agencies to foster coherent international strategies in the fight against crime

By Ronald K Noble, secretary general, Interpol

It is a truism today that time is accelerating. A corollary of the modern acceleration of time is the reduction of distances, and even their contemporary virtual disappearance in the cyber world. Today, persons, goods and ideas travel and affect the lives of men and women around the world with unprecedented facility and speed.

If it can be argued that technology is morally neutral, the dramatic shrinking of distances, experienced by billions of people every day, can nevertheless have a negative side: the growth of transnational organised crime, the rise of cybercrime and the spread of violent radicalism. These are three of the most pressing security challenges the world is facing and will still be facing in the decades to come.

Organised crime is in phase with its time: counterfeit products are manufactured on one continent and smuggled around the world; persons are trafficked like mere commodities over thousands of kilometres across land and sea; and cars stolen on one continent are recovered in black markets in the four corners of the world.

The development of the internet has added a totally new dimension to crime. Cybercriminals defraud from unsuspected distant havens, develop new underground markets for illicit trade, but also attack networks and critical digital infrastructures and, in so doing, threaten the very stability of states. The cost of cybercrime is already estimated at \$388 billion globally, a figure larger than the black market of marijuana, cocaine and heroin combined. However, the sheer size of this threat should not conceal the fact that in all its forms, it involves human beings somewhere in the world, who must be held accountable for their actions.

Finally, the internet facilitates the dissemination of violent and radical ideologies, while modern means of transportation allow for the development of transnational terrorist organisations. With the internet, radical leaders can reach friendly ears in all corners of the world and events in one place can trigger violent reactions at the other end of the world on the same day. Terrorist organisations develop logistical and funding infrastructures that function in ways very similar to – and sometimes in cooperation with – classic transnational organised crime.

An international problem

Today, there are approximately one billion international arrivals annually, \$18.1 trillion in goods traded internationally each year, and more than seven billion devices connected to the internet. In 2020, these numbers are likely to reach 1.4 billion international travellers (3.7 million people crossing international borders every day), \$24 trillion in traded goods, and as many as 50 billion devices connected to the internet.

These are the concrete expressions of today's world, those on which transnational organised crime, cybercriminals and violent radicals thrive, and as a result also those on which law enforcement must act to keep citizens safe and secure all around the world.

Interpol works in numerous ways with police authorities in its 190 member countries to enforce the law.

First, Interpol relies on a vibrant network of 190 national central bureaus (NCBs), each embedded in its respective national law-enforcement structure, and all connected to a real-time secure global police communication and coordination network accessible by more than 20,000 users worldwide. By offering a



unique combination of global reach and local effectiveness, Interpol's NCB network de facto stands as the organisation's backbone essential to its daily operations.

Second, Interpol maintains the world's only global database of stolen and lost travel documents, currently containing information on more than 32 million documents shared by 163 countries. This wealth of critical data can easily be made available to border police for the systematic screening of travellers. In 2011, 680 million checks on this database generated more than 47,000 hit alerts globally.

Third, Interpol targets one of the most heinous crimes facilitated by the internet: child sexual abuse. Endorsed by G8 members and funded by the European Commission, Interpol's International Child Sexual Exploitation image database allows specialised national investigators to share data across the



Hui Gao leaving a court in Hong Kong; he was arrested by Interpol members on a warrant relating to theft and money laundering charges in New Zealand

world to identify victims and perpetrators. By the end of 2011, nearly 2,500 victims had been identified and more than 1,300 offenders arrested. In two separate operations, offenders pictured in digital child abuse material were positively identified, located and arrested within a matter of days, following a global public appeal issued by Interpol. They are now serving jail sentences.

Fourth, Interpol initiatives to combat trafficking in illicit goods, including in the area of counterfeit pharmaceutical products, facilitates cooperation among law-enforcement agencies in tackling global illicit trade.

These initiatives develop synergies between police, customs authorities and the private sector. A series of targeted operations across all continents has led to numerous arrests and to the seizure of important quantities of illicit goods.

Interpol is currently studying the possibility of creating a global repository of legitimate products' identification codes for police and private individuals.

Fifth, Interpol Information Technology Working Groups from all regions of the world develop specialised cooperation and organise targeted operations, including against online fraud, botnets and hacker groups. In 2014 Interpol will open the Global Complex for Innovation, which will include an 'Innovation, Research and Digital Security' component that will develop innovative cooperative solutions to tackle cybercrime globally.

The actions of Interpol against transnational organised crime, cybercrime and violent radicalism make a difference globally. But that difference is too small in the face of today's challenges. From a global perspective, the rule of law is lagging

behind the evolution of modern societies. Unfortunately, the systematic sharing and accessing of police information internationally is still not completely integrated into the philosophy of most police authorities around the world.

An international problem

Obsolete legal frameworks impede efficient law-enforcement cooperation. How can police effectively fight cybercrime if global web-based services are governed by local laws that are not coherent internationally? Bound by borders but facing borderless crime and criminals free to do what they wish, they are fighting an uphill battle. Running after digital communications, they are out of step with 21st-century criminals and terrorists. Supporting international police cooperation, pushing for the development of an international legal framework to efficiently fight transnational crime and cybercrime, and

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investing in multilateral security mechanisms are the three key strategies to meet today's global security challenges.

The G20 members have the global representation, political power, financial means and, most importantly, their own national interest to consider making sure that law enforcement keeps pace with the changing and evolving nature of the threat posed by transnational organised crime and cybercrime confronting everyone.

In answering this global call, Interpol looks forward to supporting G20 members and their law-enforcement agencies in their efforts. It stands ready to foster and enhance their international police cooperation ties with the rest of the world.

We should never forget that the only possible path to victory against a common foe is to overcome differences and distance, and join forces to act decisively as one. ■

The islands to treasure

The British Virgin Islands' economy is one of the most prosperous in the Caribbean, with a stellar reputation for managing its affairs responsibly. The secret could lie in the partnership between government and the private sector



By Elise Donovan, International Affairs,
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The British Virgin Islands: a tourism and financial services success story

Nestled in the heart of the Caribbean, 60 miles east of Puerto Rico, the British Virgin Islands (BVI), a spectacular array of 50 islands, islets and cays sprinkled over 59 square miles of crystal blue waters, provides a unique experience for business, leisure and adventure. Touted as the world's greatest sailing destination, with sailboats, pleasure boats and mega yachts, the aquatic experiences distinguish the BVI's tourism product as superior. Every year for the past 40 years, sailing enthusiasts from around the world have converged on the BVI for the world-famous BVI Spring Regatta, a seven-day collection of races throughout the charming islands, whose history is riddled with tales of explorers, pirates, buccaneers and hidden treasures.

Legend of the islands

Legend has it that these islands were named Las Virgenes (the Virgins) by Christopher Columbus on his voyage through the islands in 1493, as they reminded him of St Ursula and her 11,000 virgins. The emblem of the islands, the Vigilante, bears a portrayal of St Ursula surrounded by 11 lamps, each representing 1,000 virgins. The islands have also gained literary fame as the

reported backdrop for Scottish author Robert Louis Stevenson's adventure novel *Treasure Island*, which weaves a swashbuckling tale of 18th-century pirates, treachery and buried gold.

The British Virgin Islands, with their unspoiled beauty, serenity and calmness, are in many respects reminiscent of the virgin purity that may have lured Columbus into its dreamy mystique. Today, the Virgin Islands are still able to entice and enchant the world's greatest voyagers.

British business magnate Sir Richard Branson has made the BVI his home and he privately owns two of the islands in the archipelago, Necker Island and Mosquito Island.

Magical coves and sheltered bays

The BVI's tourism slogan, 'nature's little secrets', refers to the magical coves and sheltered bays snuggled at the foot of rolling lush mountains. The islands' tranquility transcends underwater into a magnificent kaleidoscope of breathtaking sea creatures – for divers and lovers of snorkeling there is nothing to match it. With a population of just under 30,000, the islands flow unhurriedly to the rhythmic beats of the tropical trade winds, but are unlike your typical Caribbean destination. The BVI's capital, picturesque Road Town on the main island of Tortola, is a colourful arrangement of low-rise buildings that house the businesses which drive the Territory's commerce. Road Town's Main Street is a one-way pass-through that retains the architectural designs that date back more than a century.



Premier of the BVI,
Dr the Honourable
D Orlando Smith OBE

Maintaining a strong economy

The British Virgin Islands' economy is still one of the most well-managed and prosperous in the Caribbean. Although the global crisis resulted in a slight negative economic growth, the economy is already rebounding with growth rates in 2010 and 2011 of between one and two per cent, which are well above the regional averages.

Premier of the BVI, Dr the Honourable D Orlando Smith OBE, who was elected to office in late 2011, believes he has the formula for an even stronger economic recovery: a partnership between government and the private sector. Thus, within a few months of being in office, Dr Smith held consultations with the private sector in both the tourism and financial services industries. Through these meetings he gained their commitment to help improve the Territory's products and services, diversify the economy, and make the BVI more competitive.

Tourism accounts for close to 40 per cent of the national income. Each year the BVI has been accustomed to attracting an average of 800,000 tourists, about half on cruise ships, from destinations around the globe. Arrivals have declined since the crisis, but the Smith government is rebranding and exploring beyond its traditional tourist markets.

World-class financial services

The other 60 per cent of the national income comes from financial services. Providing a range of services in investment and financial management, the BVI has consistently remained among the top tier of jurisdictions that offer quality and world-class financial services. The BVI is the world's leading offshore domicile for company registrations with more than 450,000 active companies registered and is among the largest domiciles globally for hedge funds. With the largest corporate registry in the world, the BVI's electronic system VIRRGIN allows for 24-hour around the clock processing, which facilitated 64,000 new incorporations in 2011. Experts say that high net-worth individuals find the BVI attractive as it provides a "financial services sector that offers sophistication in a variety of services, security, a robust legal system and sound infrastructure".

An added advantage

Leading international services firms also help to make the BVI a jurisdiction of choice. The Big Four accounting firms, PwC,

Deloitte, Ernst & Young, and KPMG, and all the major offshore law firms, are established in the territory.

Its stellar reputation, compliance with international regulatory standards, and its political and economic stability, gives the BVI an added advantage. Maintaining a business-supportive environment, while adhering to international regulatory standards, has allowed the BVI to thrive and remain competitive in financial services. The BVI's high standards and well-regulated regime have been recognized by international standard setters,

The British Virgin Islands – a spectacular array of 50 islands, islets and cays over 59 miles of crystal blue waters, and touted as the world's greatest sailing destination

such as the Financial Stability Board, the Caribbean Financial Action Task Force, and the International Monetary Fund. The jurisdiction has been white-listed by the Organisation for Economic Cooperation and Development (OECD) and, to date, has signed 22 tax information exchange agreements with many of the OECD countries, India and China.

Commitment to manage responsibly

In an April 2012 visit to the territory, the British Minister for the Overseas Territories, Henry Bellingham, told Premier Smith that he was pleased with the "BVI's commitment to manage itself responsibly" and called the BVI a "a huge success story".

