

Thank you for inviting me to speak today at this conference about transnational crime investigations. After 35 years as a police officer, with the last ten years firstly as Director General of the UK National Crime Squad and then Director General of its successor, the Serious Organised Crime Agency, I wanted to bring some thoughts on combatting serious transnational organised crime. I know that the focus is more towards how transnational investigations are set up, resourced and structured, together with prosecutors and legal input, but I would like you to consider some other points, whilst I have you captive, as it were.

I want to speak on the following points today;

Serious organised crime as a transnational phenomena,  
International approaches to dealing with serious organised crime,  
What law enforcement agencies are doing so far,  
And how governments manage to screw it all up.

The first problem is that serious organised crime needs and feeds corruption and exacerbates the level of corruption in every society in which it exists. Criminals corrupt officials in order to survive and profit. In conflict regions, they work with terrorists and insurgents to move drugs, arms and people.

Corruption resulting from organised crime corrodes the faith of the people in their governments. In weak states and in post-conflict regions, corruption further destabilises the state and can lead to the total breakdown of the rule of law and significant loss of life.

In many parts of the developing world today, serious organised crime is exploiting the weakness of the state to run their operations. For example, groups from Colombia and Venezuela are operating within the poorest countries of West Africa exploiting the absence of effective governance. There is thus little chance of economic development or of effective governance. It also reduces the opportunities for successful joint operations between countries, which I will come to later.

Globalisation has contributed to the rise of organised crime through the declining importance of states, border controls and the greater movement of goods and people, and the other important contributing factor has been the worldwide proliferation of regional conflicts since the early 1990s. These conflicts have resulted in diverse and devastating consequences and have contributed to the growth of many forms of organised crime, besides drugs.

Whilst the drug trade is given disproportionate attention in discussions on organised crime, and it is the most lucrative and the most pervasive form of organised crime, there are many other forms of illicit trade which are multi-million dollar businesses. These include the trade in arms, people (human smuggling and trafficking), natural

resources (oil, minerals and timber smuggling), counterfeit goods, endangered wildlife, arts and antiquities and cybercrime. These trades thrive when there is widespread corruption among police, border guards, customs and tax officials who make their money by collecting bribes to allow commodities to pass or share the profits with the crime groups who profit from this illicit trade., and once you have established a smuggling network for one commodity, it is available for other commodities. Different organised crime groups use the same routes to traffic their commodities. Terrorists can also take advantage of these corrupt routes.

Serious organised crime is invariably linked to money laundering carried out with the intention of concealing the source and destination of the money. Countries that are conduits for illicit funds are especially vulnerable to the breakdown of the rule of law, the corruption of public officials and the destabilisation of their economies. Money is laundered into a wide range of businesses and types of investments. If the criminals or their corrupt facilitators of their profits are not deprived of their gains, crime and corruption will continue to be seen to pay. Those who commit this crime face little chance of losing their ill-gotten gains or being sanctioned for their role in money laundering. Therefore, before we start getting excited about operational investigations, without more attention to money laundering by the international community working together, there is little chance of reducing the amount of organised crime and corruption by such means.

Let us move on from money laundering for the moment. Governments continue to focus on building their law enforcement capabilities as if they are alone in the world. Globalisation means you cannot simply decide to deal with home-grown crime and criminals. You cannot erect some magnificent wall around your country and check everybody and everything coming through. For example, in 2008 in the UK alone, there were over 218 million passenger journeys and 440 million tonnes of freight that crossed its geographical borders. It is simply not possible to deliver comprehensive physical checks on all of these movements. The actual border of the UK bears no resemblance to the geographical boundary of the UK however. Technological advances mean that criminals can commit crimes in a country from anywhere in the world: there is no border for electronic crime. Co-operation between organised criminals also extends across regional and ethnic divides. So the first rule is that you have to operate globally in order to combat organised crime because it is transnational by its nature.

If you are to address transnational crime, you must understand their business to find their vulnerabilities, and with other countries, attack at those points. So if you want to address heroin impacting on your country, you must deal with the production in Afghanistan, the unlicensed precursor chemicals produced in China and India, the transport across the Middle East, Central European Republics, Turkey and the Balkans, the wholesalers and retailers at regional and street level, and then the money launderers out of your country, to those who overtly or covertly, accept illicit money

into their financial systems.

That is just one criminal phenomenon, and there is no one country that can deal with that on its own. Not even the US can do so, although they do like to be in charge of the combined effort.

What has to be developed are international alliances to identify crime enterprises, pool intelligence, develop strategic and tactical operational joint approaches and then implement them with inter-governmental support and assistance. To deal with global crime, law enforcement will invariably need assistance from every other part of the democratic state, including its military, and its financial and governance systems.

This is starting to happen, but in small pockets. One example was the establishment of the Maritime Analysis Operations Centre based in Portugal in 2008. MAOC brought together law enforcement and military, primarily naval resources, from Ireland, Portugal, Spain, France, Italy, Netherlands and the UK. It provided, for the first time, a joint co-ordination point for European law enforcement to counter the smuggling of cocaine and other commodities from the Caribbean and Americas towards the Atlantic borders of Europe and West Africa. In its first year of operation the Centre was involved in the denial of over 25 tonnes of cocaine, secured prosecutions in seven countries, including one in Africa, used ships or aircraft from ten countries and made use of personnel from eleven. The sharing of intelligence and partnership demonstrated between those countries involved is a real model of how countries across the world should be looking to operate in the future, and a similar US-led version operating in Key West, Florida, has clamped down heavily upon Caribbean and Latin American maritime smuggling.

We must not however, fall into the trap of thinking that all we need to do for the future is more and better of the same. We must look at how our enemy will change for the future, and like all successful strategic reviews since Sun Tzu and “the Art of War”, we need to know both our enemy and ourselves. Are we properly structured and resourced to fight and win. If we are not, we are wasting our time in engaging with the enemy. On a strategic front, we have to aim to win the campaign and not just individual battles.

In my view, serious and organised crime is already starting to be, and will in future become, the most serious impact upon all democratic governments. The approach to combating it must be seen as the most serious business of government and requires governments and law enforcement agencies to jointly set out their response within and as part of, their national security strategies. At present, many of those national security strategies are designed for dealing with the serious issue of terrorism not organised crime, because many governments believe that dealing with serious organised crime is the job solely of law enforcement agencies.

Until recently, many in law enforcement would have agreed with that statement. But what do we mean by serious organised crime? Who and where are they?

Organised crime exists in all societies around the world. Many people and governments perceive serious organised crime as they imagine the “Mafia” or other organised crime groups that have historically been described in that way, but what we have now is, in many ways, an alternative form of global or multi-national business. It is linked and spans the world and defies simple resolution by individual nation states. It corrupts and suborns law enforcement, governments and legitimate business.

Governments around the world have realised that the answer to dealing with terrorism is through joined up working both within their own countries and internationally with other countries. They have established joint expeditionary forces to operate in those countries where the terrorist threat appears to emanate, or seeks to intrude and take over.

It must be recognised that dealing with serious organised crime and the criminals involved is now beyond the capability of law enforcement alone and requires national and international coordination of effort and approaches in the same way that governments have combined in international peace keeping and interventionist approaches.

I am not saying that law enforcement has failed or is losing against individual serious organised criminals or even sophisticated organised crime networks. That is not the case, but the way that governments have sought to manage law enforcement has contributed to a situation developing where, for too long most law enforcement agencies have worked at a tactical level, not engaging in strategic approaches, primarily because they cannot, on their own. They have been monitored through rigid bureaucratic committee structures with a lack of coordination. Indeed in some countries, there are those who believe that competition between law enforcement agencies is a good thing, and will lead to an improvement in each agency as they seek to win funding and resources against their competing agencies. The words “partnership” and “information sharing” are rarely, if ever, heard in those circumstances. What really happens is that organisations engage in activities that provide “glory grabbing” opportunities, at the expense and the denigration of those who should be colleagues. The only winners in that type of environment are the criminals. Never was this more apparent than in the US where the DEA, ICE and the FBI routinely rubbished each other’s efforts in order to look better at Capitol Hill and thus attract extra funding. That is changing now with the development of Fusion Centres to share intelligence and to oversee joint operations, and it must not reappear when countries work together.

But law enforcement still tends to take a short-term focus, because that is what their political masters take. Individual cases are investigated instead of considering the

mechanisms and environment that allows serious organised crime to operate and preventative strategies designed to prevent the crime for the future are not considered or implemented. As a consequence, law enforcement often chases its own tail.

Getting change in this can be difficult, as those law enforcement leaders that have established good relations with their political masters through their achievement of impressive-looking tactical level measures may not see the value of long term strategic analysis of the issues, which does not provide the instant results of photographs of tables groaning with polythene-wrapped drugs, weapons and lots of cash. How the politicians love those pictures.

As I said before, governments have regarded dealing with serious organised crime as the responsibility of law enforcement alone. Every so often, the media will seize upon a gangland killing or some other outrageous manifestation of organised crime, or some research throws up an estimate of the economic cost of serious organised crime to countries or regions, and questions are asked as to what law enforcement are doing about this phenomenon. Tactical activity is stepped up, some bad guys are arrested in a well-publicised case, and the pressure eases again.

Serious organised crime does not need to be defined, but it does need to be recognised. Definition is irrelevant with a dynamic and fast changing subject, changing its approach, its reach and its impact. Meanwhile, law enforcement tends to fight the last battle again, rather than look for how serious organised crime is changing, and more importantly, where the serious organised criminals have gone.

The importance of having good law enforcement information is seen as a *sine qua non*. “Intelligence-led” is the slogan that too easily and glibly is used. Too often law enforcement has relied upon those it already knows about to be monitored and to become their next targets of opportunity. There is of course an argument that most of those engaged in serious organised crime are recidivists, and it is their career. They get better all the time because they learn from the last investigation, courtesy of the democratic legal process, so that they can plan and prepare better next time around. Once again they set out to make their pile, and once again law enforcement sets out to thwart them and seeks to put them back before a court for a further sentence. Once convicted, law enforcers walk away, leaving the criminals to conduct their businesses within prison and to use all the methods that they and their advisers can come up with to ensure that their ill-gotten gains are out of reach of any attempt by the authorities to seize them.

However, what of those that law enforcement have not been seen before. An example in the UK was that of missing trader intra-community fraud, or carousel fraud, as it is known. This involves moving or rather pretending to move across borders within the EU or between traders, goods that attract a Value Added Tax. The most favoured ones were mobile phones or computer chips, high value goods but small in size and

volume. Traders who claim that they have sold them on, can then claim the VAT back, and so the game continues round and round as a carousel, defrauding the Customs and Revenue of EU countries. Many of those engaged in this fraud were originally and ostensibly legitimate business people who realised where the opportunities lay. In terrorist terms, they would perhaps be known as “clean skins”.

If we continually look at those that we have seen before, we end up deep in Rumsfeld territory where we only know what we know and don't know what we don't know. We need to know who is engaged in crime, how effective they are and most importantly, which of those areas of crime should become the priority for a law enforcement response?

What I am pleased to see across international law enforcement is a recognition that things must change. Future developments in crime and the environment in which it operates will, I believe, challenge many of the assumptions on which law enforcement bases its activity against organised crime. These basic assumptions include how organised crime is structured, how the criminals actually conduct their business, and importantly, how they communicate. Tactics that worked for law enforcement in the past will not continue to work for the future. There are already major capability gaps in some of these areas and they will get worse if not corrected.

Most observers believe that existing international criminal markets in drugs, fraud, trafficking of human beings and money laundering will all remain significant. The increasing world population and the developing integrated global economy will ensure that. Trafficking will increase as governments increase efforts to protect their borders, providing more opportunities for organised crime. The principal destination markets for both drugs and trafficked people are likely to remain in the developed world.

I believe that it is highly unlikely that new types of crime will emerge, although technology will allow for many new ways to commit crime to appear. But new crime markets may well emerge as a result of the variations between legislation and enforcement in some jurisdictions, new developments in legitimate markets, such as biometrics or carbon trading, and as the pressure grows on existing resources of land, food, water and energy.

Other new markets for crime include emission and pollution-trading frauds, illegal waste disposal and dumping, interference with biometric systems and databases, theft and trafficking of finite resources, fuel, minerals, precious metals, food and water. Huge concern exists over the amount of intellectual property crime relating to non-tangible products. In the event of catastrophic events, short-term criminal market opportunities will arise such as post-disaster migration, insurance fraud or contracts for reconstruction. Law enforcement will be increasingly pressurised to deal with

these issues, at the same time as dealing with the catastrophe itself and security demands from those who feel more and more under threat.

The point that I made concerning ostensibly legitimate business people will be revisited where huge developments in international trade will enable rapid switching of commodities. I believe that we will see more and more “clean skins” who will operate in both the legitimate and the illegal at the same time and will integrate both sides of their businesses to take advantage of logistical and financial systems. This will create major difficulties for law enforcement as it seeks to differentiate for the purposes of narrowly defined criminal legislation between what is legal and illegal business, and to identify and seize that which is proceeds of crime separate from that which is legitimate business capital in the bank accounts of those who mix crime and business.

Criminals see failing countries as financial havens, staging posts and operating centres for the future, especially as we become better at preventing their criminal activities closer to home. During the next couple of years for example, the entire continent of Africa will have a Broadband Internet service capability that will rival or beat the service in many of the so-called developed countries. Whilst this is to be applauded as a vital tool for the development of the continent, the opportunities it offers to criminals are massive.

For all of these reasons I believe that it is vital that internationally in cooperation, all countries focus upon the methods to prevent opportunities for criminal activity. This will require the new law enforcement of the 21<sup>st</sup> Century to take another approach to dealing with crime. The present focus of most law enforcement is to conduct complex investigations, leading to arrest and seizure, followed by prosecution and conviction. Occasionally, the odd bit of asset seizure or removal of the proceeds of crime is thrown in, but invariably law enforcement then moves on to the next target, the next case. It will be hard to change because investigators and prosecutors love this way of working!

But one-off interventions do not disrupt serious organised criminal operations. These criminal groups can only be weakened through targeted, sustained and continuous intervention activity. Tools outside of the traditional law enforcement arena, such as the administrative powers of Government departments, public authorities and the private sector must be deployed. Partnership working with the regulators of trade and industry enable an attack to be made upon those who work in the background and create a framework of apparent legitimacy for organised criminals, and this includes accountants and lawyers. Governments themselves are not outside of this challenge. I have seen corruption at such high levels in governments of nations that indigenous law enforcement is paralysed from operating effectively, and outside law enforcement assistance is reluctant to become too closely involved in what is clearly corrupt and improper state conduct.

So what then? Do we simply shrug our shoulders and walk away. It is tempting but we cannot and must not, or one thing that can be guaranteed is that you have created the “safe haven” that serious organised criminals will exploit for the future. But as law enforcement officers, we are severely limited in those situations. This level of governmental corruption and unacceptable conduct must be tackled at a higher level by a global challenge led by international government action. That is not something that should occur in a piecemeal fashion, but be properly and strategically targeted as part of national security strategies. Although termed national, they have to be internationally focused if they are to be successful. Law enforcement does then have a major role to play, in the development of “the rule of law” and the establishment of a law enforcement infrastructure in partnership with prosecutors, the military and governments. This is the activity that I am proud to have been a part of, with what is going on in Afghanistan for example, and which I hope to see replicated in Africa for the future.

Investigative competency and the rule of law are essential for the future, but they have to be augmented with new methodologies and approaches if we are to successfully combat serious organised crime and prevent it re-emerging. We will also need to deal with the problem I have just mentioned. How do you work with corrupt law enforcement structures in a corrupt country that is at the heart of major transnational organised crime?

One way is to develop with those who can be trusted within the country and its law enforcement and judicial machinery, systems by which trusted units can be formed to work with other countries. The UK and US have been following this model for some years and it can produce outstanding results. The criminals and corrupt officials fear these units because they cannot be bought, (and that takes continuous oversight and strong management to achieve) and the units become elite in the best sense of the word and role models for others who are dejected by what their country has become. There has to be support throughout the country and the government however for this system to work.

Until we take a global approach to serious organised crime, and follow the UN Convention protocols that were agreed in 2004 to deal with serious organised crime as part of the threat to national and international security, Kofi Annan’s foreword to the UN Convention against Transnational Organised Crime that states, “whilst the criminals may be powerful, representing entrenched interests and the clout of a global enterprise worth billions of dollars, they are not invincible” will not be true.

Effective investigative capability of a very high order will continue to be absolutely necessary but ensuring that other parts of the state are doing their bit will significantly enhance the outcomes desired. Networked criminal intelligence at a strategic as well as tactical level is essential. Too often law enforcement intelligence has been limited to the tactical only, or “which door do I kick in to find the drugs”. There has to be

strategic intelligence that informs national and international threat assessments. Many countries now produce their own national threat assessments, which they share with each other on a voluntary basis. But where is the global approach or even regional approach necessary for coalitions of governments to act in concert?

Law enforcement has to be technologically equipped and informed about the threats it faces. For example, most countries are miles behind in relation to combating cyber-crime, yet all nod sagely and agree this is a major issue for today and the near future. The counter-terrorism agencies are very aware of the threat, and are engaged in meeting the challenge, but there are so many overlapping methodologies employed by criminals and terrorists in the use of cyber that beg for joined-up action. A national security strategy would bring that together.

It is also vital that law enforcement is fighting the battle of today and not yesterday. I said earlier that new technology will enable new ways of doing things, but in a democracy, it cannot be right that the law enforcers themselves decide where they will focus their efforts. A strategic approach must be applied to determine where effort is applied. How it is done is clearly a matter for law enforcement to apply itself to, and come up with the most effective and efficient way to achieve against the strategic goals set.

Let me give you an example that many governments seem to shy away from. An example where strategically we should focus international and national effort, and here I will be deliberately provocative. Do we want to focus resources on the trafficking of cocaine from South America to the west, where over-protected and rich idiots stick it up their noses? The cost to their health is often individually colossal, but on the global scale what does it matter?

I am not necessarily advocating such a change before you think I have finally lost the plot. In the UK, the strategy of large-scale interdiction and working with the US and Colombian authorities as well as our Spanish and other European colleagues has led to serious organised crime having to bulk out what cocaine they can get, to such an extent that its value has fallen through the floor. But a lot of effort went into that over many years.

But how does that effort compare to the pathetically small international law enforcement approach to counterfeit pharmaceuticals. In parts of Africa and other poor countries, counterfeit drugs for HIV, TB and other common but deadly ailments are being sold to aid agencies and governments, who are unable to spot the difference from the original and genuine product. Until it is too late of course.

The value of this disgusting trade is phenomenal in economic terms, but what of the suffering it causes. It needs an international strategic view to be taken, because the suppliers of these counterfeit pharmaceuticals are not invisible in the world. Often

they are the same, ostensibly legitimate, businessmen I spoke of before. They have the resources and the manufacturing capability to produce counterfeit goods of the high quality (if I can call them that) to deceive those who buy them to treat the sick. That type of industry must be visible to any proper governmental oversight, and those offenders are not all operating in third world countries. It is not generally regarded as the role of law enforcement to “police” this trade, but it is serious transnational organised crime.

And what of the action that governments can apply at a national and international level. The stroke of the regulatory pen can often prevent serious organised crime from operating far more effectively than concerted and large-scale law enforcement activity. But this has to be based upon strategic analysis and measured judgement. Unfortunately some see serious organised criminals from outside their country as some form of invasion and naively seek to put an impregnable cordon around the country. This can be seen with many border protection and control approaches which seek to put a visible uniformed presence in place instead of designing out the abuses of the systems designed for the free transit of people in a democracy. I remember discussing cross-border and regional law enforcement activity with the head of a federal agency in a previously totalitarian state. His answer to the problem was to have more roadblocks, more checks on identity papers and of course, a few well-chosen and visible executions. When I asked what he was doing to improve his intelligence gathering capability for selective law enforcement activity that would provide more efficient and effective interdiction, he stared at me uncomprehending.

Now before we all join in with the condemnation of his approach, we should look at our own operating models. Are we seeking to address the causes or the symptoms of the threats to our country? Whilst we are focused upon those that a) we know about, and b) have the resources to tackle, what about those who we do not know about and even if we did, the resources are not there to tackle? In my previous role, I advocated the development of a high-volume operating model as essential if law enforcement was to start to redress the balance with serious organised crime. Criminal justice interventions take months or years, are hugely labour-intensive and the prosecution cases continue to tie up resources for years. They affect a very small proportion of those engaged in serious organised crime and meanwhile there are a huge number of serious organised criminals able to operate untouched by law enforcement because the resources for a conventional approach against them are not available.

High-volume operating models can be designed to provide monitoring and control without recourse to criminal justice activity. They have been highly effective in dealing with high-risk sexual offenders and other offending types. They provide control and monitoring which meets the needs of society without unnecessary breaches of human rights. There are many new and unconventional approaches being developed, which are extremely cost-effective and manage the high volumes necessary, but they need partnership with government and other agencies of state to

work. They are also, of course, revolutionary tools, which need a strategic overview of where they should be applied.

Let me give you an example of what I mean by the new approach. This is hypothetical, but does incorporate actions from real operational activities that were conducted by SOCA and our international alliance partners.

‘Mr. Zed’ is a principal organiser and broker of bulk consignments of drugs from South America and the Caribbean to the UK. Mostly Mr. Zed resides in Spain, goes nowhere near the drugs and is never going to be caught on a predicate criminal matter. He is a veteran criminal with extensive contacts with significant global criminal enterprises and his networks supply several UK drugs distribution groups. Occasionally one or two of those that work for him are arrested or the groups he supplies are disrupted. However, he is never personally implicated or inconvenienced, although he is well documented by Law Enforcement authorities. Because there is little or no actionable intelligence available, no operational activity currently targets Mr. Zed.

However, this changes when Mr. Zed travels to meet UK criminal associates in Dubai for business and pleasure. He intends on inspecting his associate’s investment property there and researching property purchases. Mr. Zed is refused permission to enter Dubai by the UAE authorities following the sharing of relevant information between the Dubai and UK governments facilitated by SOCA, and overseen by legal experts.

Several months later Mr. Zed is advised that one of his yachts (purchased in Greece only the year before for €250,000) and the crew (cost to date €10,000) have arrived safely in Margarita, Venezuela where they will wait to collect 600 kilos of Cocaine. Two days later he is informed that the Venezuelan authorities have boarded the vessel and advised the crew that both they and the vessel are suspected of being engaged in criminal activity. The crew demand to fly home immediately. Mr. Zed cancels the delivery of the drugs and his boat remains stranded in Margarita.

Some weeks later an important employee, who arranges and fixes importations for Mr. Zed, is refused entry into Colombia and several members of an organisation Mr. Zed supplies in the UK are arrested during a Police operation.

In June 2010 Mr. Zed travels with his family to the FIFA World Cup. Although this is a purely social occasion he intends to meet with many of his criminal associates. The luxury trip has cost him thousands of Euros. He is refused permission to enter the country by the South African authorities.

His associates begin to query Mr. Zed’s effectiveness; remembering his previous problems concerning his entry to the UAE. An associate mentions that he is now

having problems with the Inland Revenue concerning his properties in the UAE and the cost of his visits to the country (documented hotel bills and flights totalling €30,000). They also recall the arrests in the UK and the problems with the boat in South America. Human nature and uncertainty link all these events and Mr. Zed's credibility and reputation suffers considerably.

The reality for Mr. Zed is that while he continues his criminal activity it has started to become harder for him to conduct his business. He is now tainted. Certainly, it is more difficult for him to hire experts such as a yacht crew. Mr. Zed has to take more risks, engaging directly in business and subsequently becomes vulnerable. He is arrested travelling on a false identity, using what he thought was a "safe" FOG passport, fraudulently obtained but genuine passport. (Close cooperation between SOCA and the UK Passport Office linked with the Interpol Lost and Stolen Passport database that operates across the world). As a serious organised criminal he is seriously incapacitated.

This case study demonstrates the potential collective impact of a series of non-traditional disruptions supported by technology-led analysis. Significant results obtained from good intelligence analysis and sharing, with investigators and prosecutors operating in very different ways from the past, but achieving the desired end result, that of dismantling a criminal enterprise, without the long drawn out process of a case investigation, gathering of evidence and finding a suitable location in the world for a long and complex prosecution.

Now law enforcers become a little uncomfortable at the thought of these new methods and nervous about nationally and governmentally defined strategies. Such strategies intrude upon the direction and control of law enforcement agencies, because to develop and manage a national strategy, you need three basic things. An oversight mechanism, measures of performance including impact, and accountability.

The oversight mechanism has to be provided by specialist, knowledgeable and senior officials. In the counter-terrorism field, these are often specialists who have been seconded to the intelligence and security agencies at some time. In the military, there are long traditions of senior military personnel being included at this level.

In law enforcement, the scene is very different. Law enforcement is seen as a "blue collar" occupation, low level and tactical. Non-specialist government officials who take a patrician view of the law enforcement proletariat manage law enforcement on behalf of Ministers. That has to change if we are to really start to get the level of expertise available at senior government level, and to develop effective law enforcement approaches for the strategic threats that we face.

Measures of achievement and performance have yet to be properly developed for the serious organised crime end of the market. It is questionable whether they have been

properly developed for any areas of law enforcement, but they certainly do not exist in an agreed format for serious organised crime.

Instead, officials and Ministers tend to rely upon easily and regularly measured data, such as numbers of arrests, or amounts of commodity seized or money recovered. One of my favourite Irish sayings is that continually weighing the pig does not make it fatter. Demanding that they should develop an approach and analysis that focuses upon the harm prevented or the impact upon serious organised criminals or the environment that allows serious organised crime to operate, draws puzzled stares. When resources questions are added, such as how effective has law enforcement been against organised crime for the amount spent, it is practically impossible to judge, and certainly there are few if any national or international comparators for benchmarking.

Trying to find meaningful measures is a process where there are many elephant traps for the unwary. Measures tend to use old “policing” type activity as the basis, when modern law enforcement requires new, different and unconventional methodologies to deal with serious organised crime. It is also the case that this activity takes place in the long term, and must be outcome-focused and not output-focused.

This requires qualitative and complex research and analysis. A national strategy should start from the premise of defining desired outcomes and should determine what success would look like across the national and international scene. Individual law enforcement actions and campaigns can then be judged against their effectiveness in prosecuting that strategy, rather than on the simplistic activity focused approach.

Accountability is often portrayed as determining where the buck stops. It imposes a discipline upon the government to determine what can and should be achieved in the light of that which the government is prepared to spend to achieve that aim. If resources are constrained or used elsewhere, there has to be a recognition that the government is prepared to see a level of crime in that area as being a “tolerable level” of criminality. Those types of considerations focus Ministers’ minds, and takes away the nonsense of expecting law enforcement to focus upon all priorities in the national threat assessment. If everything is a priority, then nothing is a priority is a truism, but it is lost on those who expect everything to be achieved with the minimum or even absence of resources and support. To these people, the model they employ is that of the “carrot and stick”. Unfortunately it soon becomes clear that a carrot is simply a stick painted orange.

I hope that I have set out my stall for governments and law enforcement agencies to join together on strategies that nationally and internationally work to combat serious organised crime. There can surely not be anyone yet to be convinced that serious organised crime requires a global approach. Simple examples such as drug trafficking and human trafficking are examples where, by their very nature, they require an international and joined-up response. Yet still there is pressure on individual law

enforcement agencies to focus only on the manifestations of this criminal activity within their own jurisdictions and not seek international cooperation.

Government policy is not and can never be dynamic enough to match quickly changing market pressure. We see that in so many areas, and if it could, we would never have economic recessions. What it can do however, is to provide a framework within which appropriate strategic law enforcement can foresee and prepare responses to the enemy's dynamic change patterns, drawing legitimate support from all the other agencies of state and the private sector, so as to alleviate and mitigate the impact from serious organised crime. At the next review opportunity, government is then able to take a considered view of that type of crime and the response required.

The need for this approach is, I believe, imperative. International business is expanding exponentially. For the last few years many have talked of the communications linkages and the global enterprises that will drive phenomenal business change in the world. Like all exponential changes, such change starts slowly but then accelerates. That is where the world is now and business is changing so rapidly it is hard for governments to oversee this change, without drawing upon the expertise of specialists to brief them and produce detailed strategic plans.

Serious organised crime is a part of that business change. The mix of legitimate and illegitimate will only get more difficult to differentiate.

So how do governments respond to that challenge? In Europe, we have now started to develop a really useful and effective way of working together. We have abandoned the nonsense of thinking that legal systems can be "harmonised" across all the countries in the EU and instead we have developed Eurojust, liaison magistrates based in other countries, the European Arrest Warrant, and closer working relationships sharing intelligence and databases. We have Europol working effectively as the intelligence support structure to pan-European and transnational enforcement activity, coupled with a far more effective Interpol. After being a member of the European Police Chiefs Task Force for ten years, I have seen vast improvements in the ability of governments and law enforcement agencies to work together against organised crime impacting upon the countries of the EU from both within and outside of the EU itself. No longer do we have the painful experience of establishing bilateral arrangements, of working through difficult legal processes to investigate, arrest and extradite criminals. Intelligence is shared properly and lawfully under full accountability to the EU Parliament. Law enforcement in the EU now operates in good working relationships with partners in the EU and beyond, brokered by Europol and with international Joint Investigation Teams and common strategic and operational approaches.

Within the EU, there is now developing a successful approach to joint operations and inter-governmental approaches to combat transnational organised crime. This is because EU countries have learned to work with one another and, I have to say, the

UK has led or been party to most of the major advances that have got us to this position.

So with all of that going on, one has to ask why the UK government now wants to opt-out of 130 plus measures in Protocol 36, none of which as far as I can see, are harmful to the UK position, and many are of great benefit, so that they can then “cherry-pick” their way back in later.

I am now very worried about the UK position with our EU counterparts, and how it will affect important international operational policing against serious organised crime, based upon my recent experience during a review of Europol I carried out recently. During that work, I met some of my old friends from the European Police Chiefs days. They were saddened to tell me that their Ministers and officials were becoming very concerned at the approach being taken by the UK towards the EU and especially towards police and judicial matters. The issue of the “opt out” was raised several times. The fact that there is an “opt out” provision was not the issue. It was rather the arrogant view being expressed in the UK that we could withdraw and then “cherry-pick” those of the 130 plus measures that we thought would suit us. The view was that this was not the way that an “honest broker” would behave. They expected the UK to work with the other EU States to work on revising the list, to remove those that are of no use or out of date, and to amend or update those that are useful across the EU.

Is this change in our approach to the EU anything to be concerned about? In my opinion, it matters a lot. In my experience over the last ten years or so, there has been an unprecedented level of cooperation and willingness to work together across the EU policing and judicial agencies.

That did not used to be the case, I can assure you. Relationships between the UK and some of our immediate neighbours used to be dreadful, and much of this was based upon a series of complex legal systems trying to be worked through, with each side accusing the other of dragging their feet or not being helpful enough. Intelligence was not shared properly, because there was no real mechanism to do so.

I do not want to see us go back to the position as it was, because many of those organised criminals that are now being arrested across Europe and in third party states around the world, and the dismantling and destruction of their criminal enterprises would not happen under the old conventions and bi-lateral arrangements that we had to painfully negotiate our way through.

The intention to leave most EU co-operation on policing and justice in 2014 seems irrational. Those who propose it have failed to make a convincing case, or indeed, any case, as to why the block opt-out should be used. They have not articulated what precise threat we face from the measures within Protocol 36, and they have failed to

demonstrate with any certainty that there are plausible alternatives for Britain outside of the EU co-operation in this area.

The reality is that the UK has played an honourable role over the last decade in the creation of an immeasurably superior system to govern judicial co-operation in Europe than existed hitherto. This system has succeeded where others failed because it is based on pooled sovereignty, mutual sacrifice and shared responsibility between all 27 EU countries as well as the incremental building up of mutual trust between different legal regimes. That view is accepted even by other common law member-states, such as Ireland, despite its own natural scepticism about EU-led judicial co-operation.

Many have sought to justify the position of the opt-out by focussing upon one part of the 130 plus matters within Article 36; the European Arrest Warrant, which they seek to portray as a failed tool, used badly by backward EU member states, and which invariably results in distressed nationals of the UK and other countries sitting in dreadful conditions in foreign prisons awaiting trial for years.

The European Arrest Warrant has become an invaluable tool for rapidly identifying and arresting fugitives from the UK living in Europe and those fugitives from other EU countries who were in the UK and often continuing their criminal activities, believing that the UK police would not trouble them. There is a lot that has been written about the EAW, which unfortunately often ignores the valuable contribution that it has made.

It has reduced by an incredible level of magnitude, the dreadful, slow and laborious processes that were needed before to identify suspects in other countries, to initiate law enforcement action against them and to arrest and extradite them back to the country that has issued the Warrant. Conducting trials many years after the events created major problems for the legal process and were not in the interest of any party involved.

The successes in relation to this piece of legislation are many, and have enormously benefited both the UK and other European countries in bringing suspects quickly to trial. In the recent past, it is very likely that they would have simply disappeared or been impossible to trace and bring back.

I am very conscious that all in Europe is not ideal in terms of arrest, detention and trial procedures, but in my view, it would be simplistic and false to assert that this is the fault of the EAW. Those problems existed before and have to be resolved in a common European framework that uses a mixture of methods by which to improve the standards. There is still a long way to go, and action has to be taken. The UK has often reinforced the demands for improvement, and whilst not perfect, seeks to demonstrate the way forward.

The EAW was the subject of a thorough review by Sir Scott Baker in 2011 who found it to be useful and working well, albeit there were still issues needed to improve it. But one part of the process around the EAW appears always to be seized upon by those seeking to criticise it. That criticism is of the time spent in awful foreign jails by UK nationals awaiting trial. It is not the fault of the EAW itself, but if that is such a huge issue, one has to ask why the UK has not yet signed up to the European Supervision Order after it has been in place for some considerable time. This Order is designed to allow nationals of a member state to be held in custody in their own country until the trial is ready in the country requesting their production. The reason it has not been brought in is reported to be that the Home Office civil servants are waiting for the result of the opt-out decision.

It is also the case that within the EU there is now a European Arrest Warrant Judicial Network Project, a Brussels-funded project to establish a permanent support structure for judges in all Member States who regularly deal with the European Arrest Warrant by developing and expanding the existing EAW network of judges. It will produce a package of training materials designed to assist in the delivery of ongoing training in the operation of the EAW across all Member States.

The new project will be led by the Judicial Office (based in the Royal Courts of Justice, London), with support from Spain, Lithuania and Sweden. This development - the UK judges' successful tender for the project - was already in the pipe-line by the time that Government plans to exercise the Protocol 36 opt-out were announced and again is an example of the UK leading with important development around justice and policing issues within the EU.

Operationally, in SOCA and other police forces in the UK, we enjoyed tremendous support and assistance from the Dutch, Spanish, Italian, French and other EU member states agencies in a way that never existed before. Operations were conducted speedily, criminals sheltering in other EU countries were arrested and returned for trial, and those that had escaped from prison were returned to finish their sentences. Terrorist suspects were arrested and extradited in very short periods of time, and the sharing of intelligence and access to databases to prevent crime have been incredible. Liaison officers from SOCA based across the EU, together with police officers from other EU countries based within the International unit of SOCA in London, have demonstrated the value of close international working based upon mutual trust and face to face resolution of difficulties. This has only been enhanced by Eurojust which has negotiated pathways through the complex interaction of laws across EU states.

I have spoken elsewhere on how the apparent intention of the UK government to “opt out” and then selectively opt back in to police and judicial measures is illogical, unnecessary and potentially financially expensive. It is certainly “costing” the UK dear in the relationship with our EU partners. And as I hope I have made clear, there

has to be joint approaches between cooperating countries if we are to deal with transnational organised crime.

I have spoken this morning about the important role that governments must play in transnational approaches to combatting serious organised crime. That requires statesmanship and strategic, i.e. long term approaches. I hope that politicians realise that before it is too late.