



European Monitoring Centre  
for Drugs and Drug Addiction

# **An assessment of the extent of Albanian(-speaking) organised crime groups involved in drug supply in the European Union: characteristics, role and the level of influence**

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for the EU Drug Markets Report 2019

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## Executive summary

This report seeks to provide a better understanding of the role and position of Albanian(-speaking) organised crime groups (OCGs) in the context of drug supply in the European Union (EU). The western Balkans is a well-established trafficking region for heroin and cannabis resin (hashish) travelling through Turkey (from Afghanistan) and destined for the lucrative western European markets. Albania is also the largest producer of cannabis in Europe.

Beyond Albania, Albanian is spoken in Kosovo and parts of North Macedonia, plus various satellite communities within Europe including the EU. The significance of the term 'Albanian speaking' addresses the wider use of the language to categorise the organised crime referred to here, as Albanian nationality is not a defining feature and can be difficult to ascertain.

The involvement of Albanian-speaking actors in drug trafficking pre-dates the 1990s conflict within the Western Balkans. Yet, the conflicts in the region since the 1990s have been significant in the formation and dynamics of modern-day organised crime in the region. The fragmentation of the former Yugoslavia, the Bosnian and Kosovo (<sup>1</sup>) Wars, and the resulting instability acted as catalysts for migration and provided both the need and the opportunity to smuggle (essential goods) into the region. The Kosovo War (1998-99) is relevant in particular, as many Albanian nationals are believed to have resettled within the EU by claiming to be Kosovan and requesting asylum. Securing leave to remain and residency status, they created a new diaspora in Western Europe and Scandinavia, from which communities have grown and criminal elements have subsequently become immersed.

The Western Balkans has a strong association with merchant shipping (pertinent for access to the transatlantic cocaine region in Latin America), and Albanian-speaking criminals have been involved in providing transport and logistics for cocaine trafficking since about 2000. Their rise to dominance in and influence on key trafficking hubs and established markets has driven down wholesale prices within the markets they target, while maintaining high-purity supplies. They are recognised as the primary influence in reduced wholesale (kilogram) prices in the key transit and distribution platform of the Netherlands and within the well-established market of the United Kingdom. They have also secured collaboration with the Italian Mafia in cocaine trafficking operations in the EU.

The activities of Albanian-speaking OCGs in the EU include human trafficking, organised people smuggling, access to and movement of illegal firearms, money laundering, cash smuggling, and the use and production of false identities. They have forged strong relations with other criminals of various nationalities, utilising their transport, networks and specialist capabilities, such as sophisticated vehicle concealments devised by Polish criminal groups.

The presence of Albanian-speaking OCGs continues to increase across the EU. They are dominant in cocaine trafficking, highly active in cannabis distribution and play supporting roles in long-established Turkish heroin activity, while also showing signs of lower level independent wholesale supply in markets that are established for cannabis and cocaine. They have yet to achieve influential status in many EU Member States but have proven credentials in doing so, despite highly competitive environments. Their 'charismatic' style in dealing with potential competitors, combined with a fearful reputation for ruthlessness and violence, is considered a defining feature in their operating model. Their approach to new customers and potential adversaries is often bold, but friendly, and seeks to build relationships and influence long-term arrangements. However, the undertone is that, while an amicable arrangement is best for both parties, the Albanian-speaking OCGs would suffer less in the event of a conflict.

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<sup>(1)</sup> This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence. It applies to all mentions of Kosovo in this publication.

# 1. Introduction

The European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and Europol are jointly responsible for the EU Drug Market Report (EDMR), the third edition of which will be published in 2019. Furthermore, the EMCDDA is tasked with the development of key European indicators in the fields of drug supply and drug supply reduction, which are used to detect changes in drug availability and accessibility in the European Union (EU).

During the fifth annual meeting of the Reference Group on Drug Supply Indicators, working groups considering the structure and content of the EDMR suggested a focus on specific criminal hubs. There are trends indicating (as suggested in the most recent European Drug Report) that the Western Balkan countries are an important hub for organised crime specialising in (among other things) facilitating the trafficking of drugs to EU Member States.

This report is intended to provide the EMCDDA with a better understanding of the role and position of Albanian(-speaking) organised crime groups (OCGs) supplying drugs to EU Member States and to explore the extent to which these actions are centrally coordinated from the country of origin. The report will briefly outline the methodology used, and the general dynamics of drug markets. The findings are then presented in sections 4-7, after which conclusions are drawn and recommendations are outlined. The report also includes two annexes that summarise two important publications on the evolution of organised crime in/from the Western Balkans (Zhilli and Lamallari, 2016; Kemp, 2017).

It is important to make clear the relevance of the term 'Albanian speaking'. This attribution covers the implication that 'Albanian' is the spoken language of Albania, Kosovo and parts of North Macedonia. The 'Albanian' language has official minority status in Italy, Montenegro, North Macedonia, Romania and Serbia and within communities in Croatia, Greece and Ukraine. Because of the spread of Albanian and Kosovan nationals across Europe, linked to the Kosovo War (1998-99), there are wider communities where Albanian or Kosovan may no longer be the stated nationality, but 'Albanian' remains the spoken language.

To avoid confusing nationality with language, this report refers to 'Albanian-speaking OCGs'.

## 2. Methodology

The report has been compiled with insight from:

- a) open source material, with a focus on published research and publications by national or international agencies;
- b) a visit to Europol and discussions with officers responsible for intelligence regarding Albanian-speaking OCGs, cocaine, heroin, cannabis, money laundering and people smuggling;
- c) a visit to the UK National Crime Agency (NCA) and discussions with officers responsible for organised crime, drug trafficking and drug markets;
- d) the personal experience of the author, as former UK Head of Drugs Threat and Intelligence, NCA, and former Head of Expert Evidence, UK Serious Organised Crime Agency. Both roles have provided the author with significant insight into Albanian-speaking OCGs in the United Kingdom and internationally, with an emphasis on drug trafficking and liaison with international partners.

## 2.1 Limitations

- a) Despite widespread general reporting, there are a lack of topic-specific statistics to prove that Albanian-speaking OCGs are having a significant impact on drug markets in some EU Member States and drug trafficking in others.
- b) This is partly due to national collection and reporting methods, degrees of uncertainty regarding the nationality of some OCG members and their widespread collaboration with other nationals performing roles within drug trafficking and wider crimes. Arrest data are therefore representative of the function, but not necessarily the protagonist, of a crime.
- c) Despite growing and evolving impact, knowledge and understanding of the situation remains in its infancy for some EU Member States, with reporting reflecting this position.

To summarise, emphasis and comment are drawn from a combination of published sources, examples of data, anecdotal accounts, current intelligence, personal experience and expert opinions. The findings of this report are best described as rationalised qualitative knowledge, containing professional interpretation and opinion, with a degree of supporting data. All conclusions have been reached following the consideration of multiple sources of insight; unprovenanced single strands of information have been either reported as such or excluded.

## 3. The dynamics and influences of drug market impact and domination

In general terms, the author interprets that 'drug markets' tend to be best represented as having a limited number of key elements. These comprise:

- a) production and near distribution;
- b) international trafficking (across continents and through regions);
- c) importation into a domestic market for supply;
- d) wholesale supply within a domestic market;
- e) retail supply within a domestic market.

When seeking to understand the influence or impact that a specific group is having, it becomes necessary to consider 'how and why' they are having this influence or impact. The answers are often revealed by assessing the supply chain, not just the market place.

When assessing why a specific group has become motivated to embark on influencing or dominating a new drug market, there are some factors to consider. These include, but are not limited to:

- a) the level of demand for drug types within the existing market;
- b) the capability to acquire the drugs that are in demand;
- c) the capacity to do so efficiently, with low-cost logistics and risk;
- d) the scope to become competitive and/or deal with the implications of competition;
- e) the ability to sustain influence or domination, and to render the venture viable and profitable;
- f) the opportunity to expand or diversify, or capitalise on opportunities.

Drug markets in numerous EU Member States are generally well established (across multiple drug types in many instances) and under the control of one or more dominant groups. Breaking into a market with a new drug poses the risk of a poor investment. Doing so for an established drug draws obvious implications associated with the ruthlessness of competition.

If the group in question achieves influence and domination in a country or region that is not in proximity to its own, additional consideration must be given to how this was instigated and then achieved.

Economic migration, fleeing from conflict, refugee status, trade and industry movement, tourism and cultural ties are all reasons for individual and mass migration, and the development of new communities. Much of this movement is legitimate.

However, such developments are commonly exploited by criminal fraternities of the same nationality or ethnicity as the migrating community. OCGs are adept at concealing activity within mass and legitimate trade and travel. The most obvious choices for this entail low investment and profile, mirroring the norm of the tourist scene or industry business. Two classic examples of this remain apparent:

- a) The 20th century establishment of Turkish communities within western (e.g. Germany, the Netherlands and the United Kingdom) and Scandinavian Europe (e.g. Sweden) facilitated the opportunity for Turkish criminals to establish networks, routes and hubs for heroin distribution.
- b) The combined and growing demand for cocaine and exotic fruits in Europe facilitated the opportunity for OCGs to ship cocaine concealed in pineapples and bananas from Latin America to ports such as Algeciras (Spain), , Antwerp (Belgium), Portsmouth (the United Kingdom), and Rotterdam (the Netherlands) where fruits from the same region are exported to.

On this basis, it is important to recognise the difference between transient criminals (who will travel to commit crime) and those who become established within communities, to facilitate crime and networks.

The final key issue relates to opportunity and capability. It has become increasingly common for OCGs to operate across crime types and to transport poly-commodity drug consignments. This adds the following features to the criminal enterprise:

- a) it is more robust, spreading illicit funds across crime types and risk;
- b) its networks grow disproportionately quicker, as a result of diversifying where business is conducted for each venture;
- c) transport and logistics provide multiple opportunities for smuggling;
- d) investments into new crime areas are 'insured' against set-up costs and loss, as established illicit income from other ventures prevails;
- e) money laundering and cash smuggling are provided with interim staging posts towards replenishing drug stocks or other illicit investments/lifestyle purchases.

A successful new drug trafficking venture (into a new market) will benefit from an initial market assessment, confidence to compete, the ability to become established and having sufficient resources, networking and reinvestment capacity to be sustainable.

## **4. Current situation: the presence of Albanian-speaking organised crime groups in the EU**

### **4.1 Recent origins**

Information in the annexes provides greater detail regarding the formation of modern-era organised crime from the former Yugoslavia and within the Western Balkans, with an emphasis on Albanian speaking OCGs and the significance of conflict and instability.

Regarding the current situation, the consequence of the Kosovo War (1998-99) plays a significant role. During this period, and in the following years, significant numbers of Kosovan refugees moved into central and western Europe, including the United Kingdom. In addition, many Albanian citizens are said to have taken this opportunity to relocate as economic migrants, by claiming to be Kosovans fleeing crisis. This is mentioned here not to stereotype this group as criminal <sup>(2)</sup>, but rather to detail an important feature of the development of the new diaspora, and to clarify why categorising Albanian speakers by nationality is challenging. In hindsight, checks made against the Civil Registry in Albania would have identified many migrants as being Albanian citizens, thereby denying them refugee status and the various residency and leave-to-remain outcomes that they were granted.

As with all new and establishing satellite communities (hubs or people settling in a new location from a single background), opportunities arise for criminal exploitation. Inevitably with the mass movement of people, some criminals would have been represented within the new diaspora. Others would then follow, taking advantage of the established platform in the new country, and the resulting travel, trade and networks. This is common within many such communities and reflects criminal exploitation rather than the culture or ethnicity of those involved.

On this basis, and over the past 15 years, these communities have grown, become more established, increased the volume and frequency of travel and trade and, unwittingly or otherwise, provided opportunities for OCGs to initially operate under the radar. Such communities are now well established in Belgium, Germany, Spain, France, the Netherlands, Sweden and the United Kingdom and to a lesser degree in other EU Member States, Norway and Switzerland.

It is common for Albanian-speaking and Albanian citizens to also have English, Greek and Italian as fluent second languages. This supports networking opportunities and false identity claims.

### **4.2 ‘Albanian speaking’**

The importance of this term is not to be underestimated. Developments after the Kosovo War provide the initial basis for analysis. Albanian is the official language of both Albania and Kosovo, and of parts of North Macedonia. Combined with cross-overs in national identity, language becomes more important than nationality when examining organised crime. Taking this point further, Albanian-speaking communities have been established in many countries within and outside the Western Balkans, with some of their members now claiming new citizenships. People of Albanian origin who use British, Bulgarian, Greek, Hungarian or Italian identities have become common. Adding to the complexity of this is the equally common use of false or fraudulent EU identity documents by OCGs and criminals.

This report does not, therefore, seek to differentiate nationality but rather ethnicity based on a common language.

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<sup>(2)</sup> They were seeking a new life and opportunities and the Kosovo War provided a scenario to achieve this, albeit fraudulently as false nationality was claimed.

### **4.3 Exploiting opportunity**

Albania and the Western Balkans (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia) play a strategic staging post for 'east meets west'. They also provide a direct link to the EU via Greece (over land) and Italy (via the Adriatic Sea). Heroin trafficking has used routes through this region for decades, with wider trade doing so for centuries.

Instability within the region in the 1990s created a shortage of consumable goods, which in turn established benefits from smuggling (often essential products such as oil and fuel), while conflict generated a need for firearms, which are now decommissioned and within criminal possession. Some countries in the region have strong ties to merchant shipping (Croatia, Montenegro and Serbia) and this provides direct access to illicit transatlantic markets, particularly for cocaine. High-volume cannabis production in Albania has created the need for infrastructure, export capabilities, networking and transport routes, which conveniently pre-existed for heroin and the transit of cannabis resin (hashish) produced in Afghanistan.

The most recent major development to create criminal opportunity relates to the crisis in the Middle East, resulting in mass refugee migration (via Turkey and the Mediterranean) towards Western and Scandinavian Europe. Albanian-speaking OCGs have readily available mechanisms for transport, transit hubs and cash smuggling (from the existing drug trade) from which the movement of people can be efficiently and ruthlessly achieved.

### **4.4 Modern slavery and exploitation**

Within the criminal elements of Albanian-speaking communities, the use of adults as cheap labour and of women within the sex industry has also become commonplace. This commonly, but not exclusively, involves persons from Albanian-speaking origins and has led to some significant statistics concerning individuals claiming 'trafficked' status. Using the United Kingdom as an example, data from the NCA (NCA, 2018) reveal that:

- From 2013 to 2017 (5 years) approximately 16 294 people have claimed victim status under the National Referral Mechanism. Of these, 2 793 (17%) are Albanian.
- Albanian is the most-represented nationality within the mechanism for each of the 5 years.
- In 2017 alone, at least 1 049 (some decisions are still pending) of a total of 5 145 claims did not meet the criteria that qualify a person as exploited and trafficked. The percentage of Albanians is not reported, but they do represent 777 of the 5 145 referrals.

The opportunity to utilise successfully smuggled individuals creates a constant pool of financially vulnerable individuals who can be recruited for criminal purposes such as drug distribution and cash smuggling.

### **4.5 Europol's Analysis Project COPPER**

The following summary highlights key features within the focus of Europol's Analysis Project COPPER.

- From the point of view of Europol, the project focuses on ethnic Albanian and Albanian-speaking individuals, plus wider links to the Western Balkans, where the language is different, but often understood.
- Albanian-speaking criminals operate as groups, networks and with influence from family and Albanian domestic region affiliation.
- There is a recognised rise in the presence of Albanian-speaking criminals across a range of crime types, including:
  - money laundering
  - cash smuggling
  - drug trafficking
  - drug production (cannabis)

- sex industry exploitation
- human trafficking
- people smuggling
- corruption
- violence and firearms crime.
- Albanian-speaking OCGs continue to expand from being service providers and facilitators, to controlling crimes and trafficking from 'end to end'.
- They have the capacity to instantly gap-fill and recover from law enforcement intervention.
- They engage with other regional crime groups, particularly Montenegrin and Serbian OCGs who remain involved within the top level of transatlantic cocaine trafficking.
- The avoidance of violence is more likely when high-level collaborations are agreed, such as those with Polish and Serbian OCGs, linked to drug trafficking across Europe. These are known for 'peace' and 'cooperation' and function across nationalities and crime types.
- They pay for women who are trafficked for sexual exploitation (by OCGs of other nationalities) on their arrival at airports across Europe. The fee paid is commonly in the region of EUR 2 000 per person.

## **5. Overview of the current situation: presence and impact within the EU — cannabis**

### **5.1 Cannabis production**

Albania has a long-established record of being a high-volume producer of (herbal) cannabis, with hundreds of tonnes referenced as annual yields. Although Albania is also sometimes mentioned as a source of cannabis resin (hashish), for high-volume consignments it is more likely that Afghanistan is the source and Albania is a transit point. Cannabis resin has been produced over the past four decades in a range of recognisable shapes and dimensions. These are commonly attributed to production processes in specific countries (e.g. 'slates' and 'soaps' from Morocco and 'slabs' from Afghanistan). A specific format associated with Albania has yet to become internationally recognised.

However, Albania is recognised as Europe's largest producer of outdoor cannabis, and trafficking collaborations have been established with Dutch, Italian and Moroccan OCGs. The criminal emphasis for cannabis smuggling has been focused on controlling access to Adriatic and near Mediterranean ports. Enhanced joint responses by Italian and Albanian law enforcement have resulted in increased seizures in the Adriatic region. The impact of this has been to increase the price of Albanian cannabis within the international market. Despite frequent interdiction, prosecutions remain low, particularly for those associated with maritime vessels. Assessments indicate that part of the increased interdiction in cannabis seizures (in the region) is linked to the focus on migrant trafficking. Italian air support has also increased the volume and frequency of cannabis cultivation site interventions. However, prosecution rates are lower because of difficulties in attributing ownership and control of plantations.

Land trafficking of Albanian cannabis takes various routes and reaches numerous destinations. Countries deemed high on the 'transit through' list include Croatia, Czechia, Greece, Hungary, Italy, Slovenia and Switzerland. Greece also represents a consumer market as does, to a degree, Italy. Consumer markets include France, Germany, Sweden and the United Kingdom, with the Netherlands acting as a key transit hub.

As mentioned, cannabis resin from Afghanistan now travels along well-established heroin trafficking routes through Turkey, Greece and into Albania. It remains uncommon, however, for poly-commodity drug consignments (cannabis and heroin or cocaine) to be found concealed together. Cannabis presents a risk-management implication because of its lower value/higher volume and because it has a stronger odour than heroin and cocaine, which are easier to conceal and have much higher unit values. Trafficking cannabis with either is more likely to compromise the higher value load.

Despite the significant difference in unit value, compared with heroin and cocaine, the vast volume of cannabis trafficked makes it highly lucrative. Suspicious transaction reports of suspected criminal proceeds linked to Albanian-produced cannabis are thought to have doubled every year for the past three years in Albania.

## **5.2 Europol perspective on Albanian cannabis production and trafficking**

The following is a summary of information provided by Europol on the topic.

A progressive intensification in the fight against the drug trade and distribution networks in Albania has been observed in recent years. In 2014, over half a million cannabis plants were destroyed, which represents an increase of 460 % compared with 2013. Major police operations in Lazarat in 2014 marked an important operational achievement in the fight against drug cultivation. However, the investigation and prosecution follow-up have not been decisive:

- 187 referrals from the police handled;
- the Serious Crimes Prosecutor's Office submitted to court requests for trial for 16 people for several criminal offences;
- no accusations of 'participation in a criminal organisation' were made.

In the first ten months of 2015, the number of marijuana plants destroyed further increased by almost 40 % compared with the total number for 2014. In 2014, 134 people were convicted for serious and organised crimes (compared with 129 in 2013), mostly for drug trafficking.

Albanian-speaking groups play a variety of roles as producers of cannabis in both Albania and wider Europe. They are reported to be involved in the trade of Afghan cannabis resin, mostly to eastern and central Europe and, via the Netherlands, to the United Kingdom. Albania and the Netherlands appear to be the main distribution hubs for Afghan cannabis resin. Dutch OCGs are known to collaborate with Albanian-speaking and Moroccan criminal gangs involved in the cannabis trade.

Albanian-speaking OCGs often consist of tight family structures. They specialise in setting up outdoor cannabis cultivation sites. They mainly operate in the countries of the western Balkans, southern Europe (Bulgaria, Greece and Italy) and eastern Europe. They are present in central Europe (Hungary and Slovenia) and western Europe (the Netherlands, Germany, Switzerland, Sweden and Finland). Connections to the Albanian-speaking diaspora in Italy have fostered cooperation between Albanian-speaking and Italian OCGs.

Albanian-speaking OCGs have a reputation for being violent and are known for their use of firearms. Violence, such as kidnapping, torture and murder, seems to be a salient feature of the sector of the European cannabis market controlled by them. Despite this, groups often collaborate with each other. Violence within Albania commonly occurs during or as a result of raids by rival gangs on cannabis plantations.

Major cannabis-producing countries in the Balkan region, including Albania, Bulgaria, Serbia and, to some extent, Kosovo, supply the markets of central-eastern and south-eastern Europe. Greece, where cannabis is also produced, is a major entry point into the EU for Albanian cannabis, which is distributed into several EU Member States, including Austria, Czech Republic, Croatia, Hungary and Italy for consumption and transit to other markets. Low-potency cannabis produced in Albania is reported to be trafficked to the Netherlands and used to adulterate higher-potency cannabis; the mixture being destined for the UK market.

## 5.3 Conclusion

It is widely reported that specialist Dutch cannabis growers have assisted Albanian-speaking OCGs (primarily in Albania) in the set up and development of cannabis growing sites. However, to date, the majority have been outdoors and not of the strength and quality of that produced under lights in the Netherlands, Belgium, the United Kingdom and other parts of the EU. Since 2017, a high-intensity focus on cannabis production in Albania has increased the likelihood of growing sites being established within commercial or semi-abandoned indoor facilities across the country. With guidance, this generates the potential to grow high-quality, high-value cannabis for which far less volume will be required to achieve the same revenue. From EU cannabis seizures linked to Albania in 2018, the high tetrahydrocannabinol content suggests that this has now commenced.

Currently, Albanian cannabis can be acquired in Albania for as little as EUR 200 per kilogram, achieving prices within international markets in the region of EUR 1 000 per kilogram. The production of high-potency cannabis has the potential to generate returns of about EUR 3 500 per kilogram in many EU Member States.

## 6. Current situation: the impact of Albanian-speaking organised crime groups in the EU — cocaine

### 6.1 General situation

Despite seizure reports in the media from as early as 2011 (of about 1 000 kg of cocaine being recovered in Albania) and the United Nations Office on Drugs and Crime (UNODC) reporting that Albanian OCGs were becoming involved in the cocaine trade (UNODC, 2000), their dominance in certain EU Member States and high-volume consignment status is a more recent phenomenon, which continues to grow and evolve.

### 6.2 Origins

Anecdotal reports state that 'Albanian criminals' embarked on cocaine trafficking initially as a workforce for other nationality OCGs, such as Italian, Turkish and other nationalities within the Western Balkans. If this is the case, the Albanian groups' rise to status is more impressive, as they have now overtaken or displaced several capabilities that had previously overshadowed them. Legitimate 'jobs' in transportation also afforded them access to shipping and sea ports and as drivers of commercial vehicles. It remains important to consider two possibilities:

1. that not all of those referred to were Albanians; there have been instances where this has been assumed of nationals of the Western Balkans;
2. that those speaking Albanian may also fit previously described criteria.

Either way, it seems viable that initial involvement was within the criminal workforce, rather than the criminal enterprise.

Having learned the trade of cocaine smuggling from others, Albanian-speaking OCGs developed the capability and investment potential to become independent. An often-reported friendly initial approach to new customers or potential competitors, coupled with a reputation for ruthlessness, is thought to underpin their capacity to develop relationships, while maintaining control over them. Their reputation for being reliable and timely and for providing high-quality, competitively priced cocaine inevitably fast-tracked their status as traffickers.

### **6.3 Development of capabilities and capacity**

The following insight is a combined perspective achieved from experience in the United Kingdom, information from the Netherlands and context from Europol.

An important feature in the operating models of Albanian-speaking OCGs is their ability to gain trust. This was largely achieved by guaranteeing loads (to the point of delivery) and reassuring buyers that quality would be reflected in unadulterated kilogram blocks, at a time when several countries were experiencing degrees of deception through bulking and re-blocking (often down to half the import purity — about 40 %). Albanian-speaking OCGs, however, not only maintained high quality but began challenging prices (see below).

It is reported that initially they relied on other sea-going Western Balkan nationals to facilitate transportation within transatlantic vessels to ports in the Netherlands, Belgium, Germany and the United Kingdom. This increased transport costs (commonly USD 5 000 per kilogram) and costs linked to movement through ports (corruption of security or port workers). Reports from about 2012 also indicate that they were still buying multi-kilogram consignments in the Netherlands for approximately EUR 30 000 per kilogram. At this point, their profits were achieved only in other markets, particularly the United Kingdom, where the price per kilogram was GBP 45 000 (EUR 50 000).

They also had to overcome competition, not only in the market but for transport functions. A range of other nationals (from Europe, Africa and Latin America) remain established players in the distribution of cocaine. In particular, conflicts occurred with Moroccan OCGs over commodity and transport provisions. It is reported that the Albanian-speaking groups proved to be cheaper and more reliable, providing guarantees on delivery and insurance against loss (until final handover).

At various stages between 2012 and 2018, Albanian-speaking OCGs established direct access to cocaine suppliers in Latin America (at prices as low as USD 4 000 per kilogram, equivalent to EUR 3 500), developed transport mechanisms and influence within ports (such as those in Brazil, Colombia, Ecuador and Venezuela), and maintained the placement of workers and corruption in key EU ports of entry, such as Antwerp (Belgium) and Rotterdam (Netherlands), to which consignments from Latin America could flow under the cover of high-volume legitimate loads. This greatly enhanced profit margins, as, despite having overheads for the aforementioned logistics, the EUR 30 000 price tag in the Netherlands rapidly became redundant as they increased and sustained competition.

The scope of points of access was also expanded, with presence achieved in locations such as Hamburg (Germany) and Valencia and Algeciras (Spain), alongside a greater influence in the United Kingdom. They also began expanding markets, with distribution reported in Germany and Sweden and a presence in Australia (reported from about 2015).

Early methods often entailed 'coopering' with consignments being offloaded into the sea (to be collected offshore by small vessels). This rapidly developed into the use of container concealments that were either 'ripped on and off' (placed into containers and taken out of them while within secure areas) or delivered to end destinations (where they owned the consignment or controlled the transport/warehousing).

### **6.4 Market influence and impact on price**

It is important to recognise that a reduction in retail price within established markets is rare. For powder drugs (such as cocaine), it is far more likely that purity will rise and fall, rather than price. When wholesale prices fall, purity at street level tends to increase, as profit margins throughout the supply chain do not need bulking out. On this basis, there are no reports that Albanian-speaking OCGs have influenced retail prices. This may occur if they branch into less-developed markets, increase availability and adjust prices towards those being charged in other established countries.

The wholesale market for cocaine, however, has proven to be an entirely different proposition.

There are three very strong examples of Albanian-speaking OCGs directly influencing the most established cocaine platforms in the EU. The Netherlands (and to a lesser extent Italy) is the most established transit and distribution centre, and the United Kingdom is one of the most established markets for supply and consumption.

**The Netherlands:** for over a decade, the recognised common price for a kilogram of cocaine was EUR 30 000. This was marginally more expensive than in Spain, where prices were very similar but credibly reported as about EUR 28 000. Albanian-speaking OCGs initially paid these prices and then profited within UK and wider EU markets. However, since they became dominant in controlling transatlantic shipments, the price has fallen in the Netherlands (since about 2012) to about EUR 20 000 per kilogram. This is recognised as an exceptional development.

**The United Kingdom:** using prices in England and Wales as a guide (they are higher in Scotland and Northern Ireland), since the development of the influence and now domination of the cocaine market by Albanian-speaking OCGs, kilogram prices have fallen every year as indicated in Table 1.

2012	2013	2014	2015	2016	2017
GBP 45 000	GBP 40 000	GBP 37 000	GBP 35 000	GBP 33 000	GBP 30 000
EUR 50 000	EUR 44 000	EUR 40 700	EUR 38 500	EUR 36 300	EUR 33 000

*Table 1: Kilogram prices of cocaine in England and Wales, 2012-17*

During this period (2012-17), the retail price of 1 gram of cocaine has remained stable (GBP 40), but the growing accessibility of 'premium' grams (at or close to import purity: 70 % to 80 %) has become a prominent market feature (at GBP 70-80 or EUR 77-88). This wholesale price development is also considered exceptional and nothing similar has occurred since at least 1995.

**Italy:** in Italy, it is not the price that creates the 'exceptional development'. Although extensive detail has not been collected for this report, it is apparent that, more than any other group, Albanian-speaking OCGs have forged relationships with the Italian Mafia and Italian OCGs, not only as the providers of services but also as collaborators in the commission of crime and drug trafficking. Examples in both the Netherlands and the United Kingdom reference Italian-based Albanian-speaking OCGs involved in cocaine trafficking from Italy (as a base) with Italian OCGs. It is difficult not to recognise this as a reflection of the growing capacity of Albanian-speaking OCGs to facilitate and distribute high-volume and high-frequency consignments.

## 6.5 Associated criminal finance

These levels of domination have created a highly cash-rich outcome. The UK experience indicates that getting this cash or its value to the Netherlands is a priority for Albanian-speaking OCGs. In addition, assessments carried out in the Netherlands and the United Kingdom suggest that high-profile and influential OCG members remain in the Netherlands and control wider markets from this base (close to points of import and away from markets and distribution).

There remain some intelligence gaps regarding the routing for substantial reinvestment, but the following is known or suspected:

- Dubai in the United Arab Emirates is a money laundering hub for Albanian-speaking OCGs.
- Companies in Greece are used to conceal the movement of cash value and goods to Albania.
- Chinese money launderers have been used in the United Kingdom by Albanian-speaking OCGs to transmit cash value to Latin America.
- Money service bureaus (MSBs) in the United Kingdom are corrupted to exchange high volumes of pounds sterling into euros, with many examples of hundreds of thousands being

found with each 'cash courier'. These MSBs are licensed to exchange and forward cash and are monitored by Her Majesty's Revenue and Customs (HMRC), but examples are found of this service being provided without audit trails, to assist in hiding high volumes of organised crime proceeds.

- Cash is smuggled out of the United Kingdom in commercial vehicles, via east and south-east coast ports, to the Netherlands directly, or via France.
- Within the Netherlands, addresses used to consolidate cash have been discovered, with ledgers that demonstrate that millions of euros and pounds sterling in cash have been received over prolonged periods, processed and moved on.
- It is commonly reported that proceeds from cocaine (and other illicit activity) are reinvested in property and building projects in Albania and used to influence and fund corruption.

## 6.6 Other features

In addition to the impact on markets, other features continue to be revealed:

- Such is the scale of cocaine trafficking by Albanian-speaking OCGs that it is not unusual for consignments to be abandoned in the EU as a risk-management strategy (where a compromise is feared) or when a dispute ensues. One example resulted in a consignment (presumably to be 'ripped off' at port) being delivered to a supermarket in Germany, along with the legitimate load.
- Albanian-speaking OCGs demonstrate constant access to the workforce, as a result of the migration of Albanian nationals to locations pertinent to their criminal activity. This often results in the arrest of those involved in distribution being replaced rapidly, while those in control remain undetected.
- In the United Kingdom, the manual car wash industry has a massive presence. This is commonly conducted by Albanian nationals and is frequently linked to their illicit activity.
- In Belgium, it was reported in 2018 that Albanian-speaking OCGs had set up a retail supply chain, delivering small, high-quality quantities of cocaine to users, via the platform of 'calling cards' advertising the service. It is reported that, once discovered, those responsible fled to Albania.
- In the United Kingdom, Albanian-speaking OCGs have expanded into the high-quality retail market, supplying cocaine to professionals and in clubs and bars (where they also have a presence within the security industry as 'door staff').
- In the Netherlands, violence prevails in Rotterdam and Amsterdam, often linked to high-profile feuds and disputes, whereas in the United Kingdom, violence linked to Albanian-speaking OCGs rarely comes to notice of law enforcement.
- In Antwerp, port security is a continuing problem, as is violence linked to port workers suspected or known to be working for Albanian-speaking OCGs.
- In the United Kingdom, firearms are often found during premise searches but rarely found in the possession of OCG members in public places. In the Netherlands, firearm discharges linked to Albanian-speaking OCGs have become more common.

## 6.7 Conclusion

Albanian-speaking OCG-controlled cocaine trafficking is deemed to be the greatest threat within their commodity-based activities. Despite controlling hundreds of tons of cannabis, the value of cannabis per unit and demand across the EU remain relatively low. However, the margins achieved from cocaine trafficking often exceed EUR 20 000 per kilogram and present enormous reinvestment and corruption opportunities. It is also accepted that proceeds from cocaine trafficking fund and underpin wider crime, such as illegal firearms smuggling, money laundering networks and facilities, the smuggling of other drugs and the illicit movement of people.

Having significantly influenced three of the most established platforms in the EU (the Netherlands, Italy and the United Kingdom), it is reasonable to be concerned that wider opportunities in EU markets will form a future focus for Albanian-speaking OCGs. Obvious targets (where their presence is already established) are the Nordic countries, where the price of cocaine remains high and access is more limited than in western Europe. Australia is an example of geography not being a barrier to trafficking, as west-coast Latin American ports have been utilised for consignments bound for this country. Monitoring cocaine prices in Australia is likely to be very informative over the next 3-5 years.

## **7. Current situation: the impact of Albanian-speaking organised crime groups in the EU — heroin**

### **7.1 General overview**

As previously mentioned regarding the Western Balkans and Albania, the location of the region provides an ideal 'east meets west' platform within Europe. This has become more pertinent over the past three decades for heroin trafficking, with the drug passing through Turkey and into Europe, destined for high-volume and lucrative markets in western Europe.

This situation has consolidated relationships between Albanian-speaking and Turkish OCGs. The common dynamic entails Albanian-speaking OCGs acting as transporters and conduits of Turkish-controlled heroin, with far less evidence of them taking control or ownership — as has been experienced with cocaine in similar circumstances. This may be due to long-standing relationships with Turkish OCGs, whereas with cocaine, they were general facilitators (of moving drugs out of the Western Balkans) with no long-term associations to consider.

Although it remains the norm that Albanian-speaking OCGs generally provide transport and distribution for Turkish-controlled heroin, there are non-competitive examples of them purchasing heroin from Istanbul-based traders, for EUR 7 000, and conducting free enterprise into wider Europe, including Croatia, Germany, Hungary, Italy, the Netherlands, Norway, Switzerland and the United Kingdom. In Western Europe, heroin prices rise to and upwards of EUR 15 000 per kilogram. Unlike cocaine under their control, which has been recovered in hundreds and thousands of kilograms, Albanian-speaking OCGs are rarely apprehended with volumes of heroin exceeding tens of kilograms.

It is assumed that the common situation is that Albanian-speaking OCGs will purchase multi-kilogram volumes of heroin from Turkish traffickers and then split and sell this as a single or a few kilograms, in locations where cannabis and/or cocaine is their primary business.

Despite some major seizures of heroin in Europe in 2018 (approximately 5 to 6 metric tons thus far), Albanian-speaking OCGs do not figure significantly, the majority of the heroin trade being under the control of Turkish OCGs and their Dutch and Belgian counterparts.

One of the features that may have an impact on the lack of influence and involvement of Albanian-speaking OCGs is routing. Despite the location of Albania within the Western Balkans and the long-standing significance of this region for trafficking heroin to western Europe, there continues to be a range of other routes under the control of Turkish and eastern European OCGs. These include:

- the Black Sea into the Ukraine, entering EU Member States via Poland;
- the Black Sea into Bulgaria and Romania (including via the Danube) then across central Europe;
- Mediterranean routes out of Turkey and into Italy;
- maritime shipments into further destinations such as Antwerp and Rotterdam.

These options leapfrog or bypass the Western Balkans and, for road routes, often utilise drivers of Bulgarian, Polish or Romanian nationality.

## 7.2 Conclusion

For the reasons outlined above, it remains a common situation that Albanian-speaking OCGs are involved in the lower level wholesale supply of heroin, but generally within locations where they already supply or dominate different markets for cannabis and cocaine.

There is no current intelligence suggesting that Albanian-speaking OCGs are seeking to compete with Turkish OCGs or to increase the scale of their heroin activity. This may be because the profit margins that they are achieving from well-established cocaine supply and high-volume cannabis distribution is their focus and priority. It may also be a consequence of prioritising current opportunities for migrant smuggling within EU Member States and using their transport mechanisms primarily for this purpose across these routes. The latter example may be considered less likely, as there remain examples of Albanian-speaking OCGs smuggling cocaine across traditional heroin routes (when the cocaine has entered via Greece and Eastern Europe) and intelligence that they continue to provide transport for Turkish OCGs.

It is advised that heroin seizures in EU Member States continue to be closely monitored for indications of the increased involvement of Albanian-speaking OCGs and that intelligence is monitored regarding Iranian- and Iraqi-controlled heroin trafficking (currently primarily linked to Turkish OCGs) for the potential that Kurdish collaborations could be formed in the Western Balkans.

There is the potential for collaborations between Iraqi and Albanian-speaking OCGs linked to the heroin trade. Iraq is a heroin trafficking route and both crime groups are at the forefront regarding people smuggling across Europe and into France, Belgium and the Netherlands where common interest and proximity provide platforms for negotiation. Their close involvement in people smuggling and mutual interest in the heroin trade could combine to allow Albanian-speaking OCGs access to heroin upstream of Turkish supplies and at cheaper prices.

## 8. Conclusions and recommendations

### 8.1 Conclusions

1. Albanian-speaking OCGs have expanded across the EU, in terms of crime types, presence, scale of activity and level of impact during the past ten years. Further potential for expansion within some EU Member States is not so clear, although this is likely where they are present and becoming established.
2. People smuggling and cocaine and cannabis trafficking are the three crime types in which Albanian-speaking OCGs are most active and influential.
3. Cocaine trafficking represents the most lucrative activity, driving the necessity for sophisticated cash smuggling concealments and the engagement of various other nationals involved in money laundering.
4. The rise of Albanian-speaking OCGs within the cocaine trade has been unprecedented compared with any other recent development in drug trafficking and drug markets. This proves capability and capacity for one commodity that could (if chosen) be applied to others.
5. There is potential for advances regarding cannabis production, particularly if specialist advice continues from Dutch OCGs and if Italian air surveillance increases pressure to move outdoor production indoors.
6. Their ability to utilise false, fraudulent or alternative (where citizenship of another country is utilised) identities across the EU and Europe and in Latin America and Australia continues. This hinders any clear picture of the presence and level of influence of Albanian-speaking OCGs. This problem prevails in Latin America where, in Colombia for example, it is easier to identify the presence of an Albanian national than an Italian national, because of record keeping and immigration agreements (with Italy). However, as within the EU, Albanian-

speaking OCG members often speak Italian and have taken on false Italian identities, making them less visible and less likely to be accounted for.

7. The international networks generated by Albanian-speaking OCGs across the cocaine supply chain place them at the very forefront of cocaine trafficking into the EU, dominant within the distribution platforms of Belgium and the Netherlands, continuing to expand within Spain and controlling the market within the United Kingdom. Presence in numerous other EU Member States provides platforms for continued expansion.
8. Although less influential within domestic retail markets, Albanian-speaking OCGs have entered the supply chain in Belgium, Germany, Sweden and the United Kingdom (and potentially elsewhere) with the same attitude to quality, reliability and customer satisfaction as has proven successful with wholesale distribution. With access to high-volume wholesale consignments, it remains only a matter of choice and risk management as to how influential these groups become within the EU retail market.

## 8.2 Recommendations

1. A survey should be considered across EU Member States to assess the level of involvement and impact within domestic wholesale and retail markets for cocaine, heroin and cannabis. The outcome of this survey would create a benchmark for measuring the development of the impact of Albanian-speaking OCGs.
2. Where large-scale (to be determined) drug seizures towards, into and within the EU lack evidence of the involvement of Albanian-speaking OCGs, it should be recorded if intelligence reveals a controlling influence.
3. Where EU Member States report significant reductions in wholesale drug prices, the presence of Albanian-speaking OCGs should be assessed as a potential influence.
4. Specific advice should be provided to EU Member States reporting the emerging presence of Albanian-speaking OCGs with regard to how they are able to develop and then dominate drug markets.
5. The increased presence of or involvement with higher volume heroin seizures should be closely monitored for the potential that Albanian-speaking OCGs are taking greater control. This could result in conflict with Turkish OCGs.
6. Any intelligence that Albanian-speaking OCGs are interacting with Iranian or Iraqi heroin-focused OCGs should be treated as an early indicator of increased influence within the EU heroin market.
7. Greater understanding needs to be developed to extrapolate the nuances of 'western Balkan' OCGs to fully understand the complexities of the roles being performed and the influence asserted within global drug markets, particularly within Latin America.

## 9. References

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## **10. Annexes**

### **Annex 1. Evolution of the Albanian organized crime groups — Zhillia and Lamallari (2016)**

This publication makes key points (edited for brevity, not context) that are recognised and endorsed within the context of this report. Extracts taken from this extensive study focus on the formation and development of organised crime from 1990 to 2015. Key summaries and revelations include the following.

#### **A1.1 Initial catalysts**

At the beginning of the political transition, ties between state structures and organised crime began to emerge and strengthen in Albania. Thus, the international embargo imposed on the former Yugoslavia in 1992 was exploited as a golden opportunity to benefit from oil smuggling through the northern border of the Republic of Albania. Criminal elements, segments of the state administration and politicians hurried to benefit as much and as fast as possible from the opportunity that emerged. Oil, cigarettes, coffee, aluminium profiles, livestock and many other goods were smuggled every single day through the borders with North Macedonia and Greece. The 'opening up' to the west was accompanied immediately by massive waves of emigration, the smuggling of clandestine persons and the trafficking of women for sexual exploitation.

#### **A1.2 Early factors**

Low per capita income (under USD 20 per month per capita in 1992), the threefold reduction in active enterprises, the tripling of unemployment levels, the shrinkage by up to 10 % in the general population due to massive emigration fluxes, oil smuggling during 1992-96, the disappearance of about USD 1.5 billion from the pyramid schemes and the looting of armaments depots in 1997 all induced feelings of public insecurity and encouraged illegal activities to flourish, including those relating to organised crime.

#### **A1.3 Subsequent development**

At the start of the 1990s, corruption and the infiltration of organised crime into weak Albanian institutions ensured the untouchability of figures involved in organised crime. Many of these individuals had worked in the past as secret service agents, officers of the Republican Guard or even as drivers in the previous regime. Organised crime, business and politics have become intertwined in a complicated relationship of common interests and exploitation for mutual benefit.

Criminal organisations have ties with politics, and the latter interferes by neutralising law enforcement agencies through the appointment of trusted persons or party militants. The best-known form of cooperation between criminal organisations and state bodies is corruption, especially in the justice system. The extortion of revenues from businesses through fines or 'protection' from other gangs, support for political candidates or the scaring of opponents in elections, the spoiling of opposition party rallies, the manipulation of election results and the funding of electoral campaigns in exchange for immunity from criminal prosecution, as well as other benefits, prevailed.

Political parties have benefited from funds from criminal network figures. There is a disturbing trend of criminal organisations using business as a 'facade' to hide criminal activity. This phenomenon appears more widespread in cocaine trafficking. In different regions of the country, rivalry between armed gangs, although with turf control as the main motive, has often displayed political leanings. Members of criminal groups have served as commissioners in voting centres. Despite the lack of investigations or judicial decisions, members of parliament and ministers have been the targets of public accusations over their ties with organised crime. Organised crime has managed to neutralise society even in terms of freedom of speech, thus seriously violating the culture of reporting wrongdoings.

#### **A1.4 Specific observations**

- Although judicial decisions may refer to the luxury vehicles, assets and arsenals of sophisticated arms possessed by and used by defendants, it is disturbing that investigations and judicial decisions do not go deeper into the sources of such income, even though members of these criminal organisations have been convicted of criminal offences such as murder and serious injury.
- In the city of Tirana, at present, it is thought that at least three very powerful criminal organisations have been operating and extending their criminal activity for many years.
- In the city of Shkodra, it is suspected that at least four large 'families' are involved in the trafficking of mainly narcotics, arms and human beings. This district may replace Lazarat in the future as the 'hangar' of cannabis cultivation.
- In the city of Durrës, it is alleged that many criminal groups from all over the country may have investments, and that the city serves to some extent as a meeting point or even shelter for many of them.
- Criminal organisations operating in the city of Fier are thought to be among the most sophisticated and sustainable organisations throughout the course of political transition in Albania.
- In the city of Berat, it is suspected that at least three 'families' with strong criminal backgrounds are exerting their influence.
- It is suspected that numerous murders in the city of Vlora have been committed over areas of influence in international networks of narcotics and arms in EU Member States, mainly Spain and Italy.
- In Elbasan, it has been noted that groups of youths from surrounding rural areas are imitating criminal group organisations in the city.
- Finally, criminal organisations dealing with the trafficking of hard drugs are using legitimate businesses to 'cover up' their criminal activity.

#### **A1.5 Geographical spread**

Initially, the areas most affected by the new forms of organised criminality were the border areas, which were exploited for the smuggling of people and goods, as well as for trafficking in human beings, mainly women, for exploitation for prostitution. Certainly, the capital and the large cities, including the coastal ones, were most exposed to the new dynamics of unlawful groups and activities because of the greater opportunities they provided. Nevertheless, the barren situation in which the entire country was in at the time, in the face of the weakness of institutions to address shortcomings and the urgent needs for intervention, led to the emergence of criminal groups and illicit activities throughout the territory.

Taking advantage of Albania's geographical position, criminal groups at the border districts in the north-east and south-east of the country engaged mainly in the smuggling of various goods, such as cigarettes, alcohol, coffee, electrical appliances, aluminium window frames and cattle, into North Macedonia and Greece. At the same time, the leaders of these groups exploited (for prostitution) women who had been trafficked to Italy and Greece. In different cities of the country, there were also reports of abductions, hostage-taking and the extortion of businessmen.

In the north of Albania, the smuggling of oil and weapons was conducted largely on the borders with Montenegro and Kosovo. The smuggling of oil increased after the imposition of international sanctions on the former Yugoslavia. For the first and possibly only time, gangs from the north collaborated with those from the south to exploit their ties with criminals in Greece to smuggle oil from there towards the north of the country. A few years later, the fighting in Kosovo and later in Macedonia transformed the northern towns of Albania, such as Bajram Curri, into public markets for weapons of different calibres.

In the south of the country, in Vlora, many individuals and groups that smuggled migrants emerged in the second half of March 1997. Persons arriving from different areas of the country, mainly men, were

being transported towards Italian shores aboard old and overloaded ships as well as speedboats. Groups of smugglers also exploited the shores of Durrës and Shëngjin to smuggle migrants and traffic women towards Italy. Albanian women and women from other countries, mainly from the former communist countries of Eastern Europe, were sold and exchanged as if they were commodities in the coastal areas before being sent to Italy.

### **A1.6 Typology of criminal networks**

The structure of criminal organisations depends on the type of criminal activity. However, after 2005, there is a tendency for criminal groups to function in the form of “Criminal Networks.” This operational form is noticed both in criminal networks operating

- inside Albania, but also in other countries where they have operations;
- inside and outside Albania, mainly in the border areas;
- with Albanian organisations that are involved in international criminal networks and that use the Albanian territory as a place of transit and recruitment and to carry out the investment of criminal proceeds.

This ‘modus operandi’ gives criminal networks the opportunity to be much more operational on account of certain features:

- First, criminal networks, not having a hierarchical leadership structure, avoid the ‘bureaucracies’ of taking decisions and this enables them to act quickly and on time, thus maximising profit and minimising risk.
- Second, autonomy and individuality are characteristics of the criminal network, which afford individuals the necessary liberty to provide solutions to problems at the point at which they may arise, without the need for planning that is readable by law enforcement agencies. Individuals manoeuvre, and act, depending on the situations and provide ad hoc solutions, which makes it difficult to discover and combat them.
- Third, aside from knowledge arising from criminal activity, individuals do not have other acquaintances (e.g. social or family ties) that would expose them even more to law enforcement agencies.
- Fourth, roles are not clear and are divided according to the type of the ‘order’ and according to the agreement that the parties make.
- However, the role of the ‘organiser’ in the ‘criminal network’ is very important because it is the organiser who makes all the connections between the network points. The important thing to stress in the ‘criminal network’ is that there is not always one organiser, but rather several in most cases. For instance, there is an ‘organiser’ who finds the sale market but there is also a contact (middleman) who may enable the purchase. Then, the ‘middleman’ is the one who organises the entire purchase process up to the transportation of the goods to the ‘orderer’ who will sell it to the ‘buyers’.

What needs to be emphasised is that those Albanian criminal groups that are involved in international criminal networks, with operations mainly outside Albania, are much more advanced and more sophisticated than those operating inside the country or those that collaborate with only one organisation in neighbouring countries. Criminal networks of this category are characterised by features that distinguish them from those of the other categories. They are much more flexible and have a broader territory of operation. They require an almost closed cycle for the entire activity. In other words, the criminal structure takes upon itself the full cycle of the trafficking. For instance, in the case of drugs, the organisation takes upon itself the ordering, reception, distribution and sale of the goods.

### **A1.7 Risk assessment and tendencies**

The sophistication of criminal organisations started to become more visible after 2003. Some features of the sophistication include the use of coded language, special mobile phone numbers activated only

for trafficking purposes and the use of different couriers. From 2005, it was noticed that Albanian groups enhanced their positions in international trafficking networks, especially those relating to narcotics. It is also seen that the trafficking networks include roles that were not seen before 2003, such as the role of the guarantor or the funder. Members of known criminal organisations carry out these roles. Their influence is very large even when they are isolated in institutions where they serve prison sentences.

In the case of cocaine trafficking, one noticeable feature concerns the use of businesses as protective 'facades' for hiding and masking the trafficking of cocaine for domestic use in Albania, processing and even transiting.

**Report author Tony Sagers comments:** *within the section 'typology of criminal networks', many comparisons can be drawn with insight from operational and intelligence exposure during the last few years. It is accurate to conclude:*

- *End to end networks exist, with communications and coordination taking place in Albania, at staging posts with trafficking significance (such as the Netherlands and Belgium), linking in to major markets and those controlling them (such as in the UK). Beyond the EU, platforms have been established in Latin America (for direct access to cocaine) and regarding other crime types, additional hubs (within networks) are in place (such as France and Belgium for the movement of people). Examples also exist where cooperation takes place linked to drug trafficking with other crime groups in the Western Balkans, Eastern Europe, Turkey and Italy.*

**Comment:** *It is also fair to assess that their international operations are generally more sophisticated than those functioning within Albania. They have become adept at understanding the barriers and risks created by law enforcement and adjusting their practices accordingly. There is naturally greater need to do so within the wider arena, which is also potentially less corruptible.*

**Comment:** *Flexibility and agility of roles is also apparent. Access to a new 'workforce' is relentless, as is the capacity to move location and control from afar. This facilitates better risk management by not having to closely monitor tasks allocated to others. They are also engaging other nationalities and ethnicities on a wider basis than when initially breaking into cocaine and other drug markets. An initial insular approach, only involving Albanian-speaking nationals and Western Balkan neighbours now engages Romanian and Polish drivers, Chinese money launderers, Pakistani money exchange bureaus and interactions with home nation criminals within the markets where they are established.*

## **Annex 2. Crooked kaleidoscope: organized crime in the Balkans — Kemp (2017)**

This publication makes the key points described below (edited for brevity, not context), which are recognised and endorsed within the context of this report.

### **A2.1 Location**

The Balkans is at the cross-roads of Europe and the Mediterranean, between east and west, between Europe and Asia. Throughout history, this has had a major impact on the region's stability, as manifested by conflicts in the late 19th century, in the build-up to the First World War and in the early 1990s. The location of the Balkans makes it attractive for trafficking. The region is situated between the world's largest producer of opium (Afghanistan) and the largest markets for heroin (western Europe). It is along the main route for people moving illegally from the Middle East and North Africa to Europe, either as smuggled migrants or as victims of human trafficking.

It is on the doorstep of the EU, and has all the advantages that brings for unhindered movement of goods and access to lucrative markets (including drugs, weapons, people and luxury goods). In addition to its strategic location, the Balkans is attractive to traffickers because of weak governance and porous border control — in some cases due to collusion by state officials in illicit activity. Therefore, the Balkan route is not only the shortest, but also the least risky.

**Report author Tony Sagers comment:** *Proximity and location have always played a major part in hubs, routing and logistics for drug trafficking. Turkey is the ultimate 'east meets west' example for this regarding heroin, while the Atlantic provides a completely different proposition for cocaine traffickers — with large seaports, international air hubs and the eastern coastlines of Africa and Europe playing a part for the EU.*

## **A2.2 Legacy of conflict**

One major factor of vulnerability is the legacy of conflict. War in Bosnia and Herzegovina started in 1992. Albania suffered civil unrest in 1997. Serbia and Montenegro were bombed by NATO in 1999. There was armed conflict in Macedonia in 2002. Therefore, many states in the Balkans are still in the post-conflict phase. One of the biggest problems has been the fact that there are plenty of weapons in the region.

War in the Balkans was inextricably linked to organised crime. During the war in the former Yugoslavia, smuggling was a means to an end for many people. It was a survival strategy for common people, for example those suffering through the siege of Sarajevo who needed basic supplies, as well as the defenders of the city who needed weapons and ammunition. Organised crime was also a key part of the survival strategy for regimes that were coping with sanctions. For others, organised crime was an end in itself, a golden opportunity to be exploited.

**Report author comment:** *Major factors in drug trafficking success are ingenuity, resilience and opportunism. These traits are naturally common in OCG that have experienced conflict and instability; as smuggling becomes a survival necessity.*

## **A2.3 Drug trafficking**

The 'Balkan route' continues to be a key conduit for drugs, particularly heroin transiting from Afghanistan to western Europe. Most of the drugs are moved by road vehicles. It is worth noting that interdiction rates for heroin in the Western Balkans are relatively low. High amounts of heroin are, however, seized in Turkey and Iran before reaching the Balkans. And there are significant seizures of heroin in western Europe.

Albanian groups from the Western Balkans seem to control most routes (having taken over from Kurdish/Turkish groups in the 1990s). According to the UNODC, other traffickers from the Balkans are often involved in the trade, for example in transportation and logistics, but are not necessarily members of the groups that own the drugs. While heroin is moving from Afghanistan to Europe via the Balkans, the precursor chemicals needed to produce heroin from opium are moving in the other direction. The main chemical that moves along this 'reverse Balkan route' is acetic anhydride, and while seizures have been relatively rare since 2014, they increased in 2017 with almost 26 tonnes seized, almost a quarter of the global total.

There are allegations that the ports of Albania, Croatia, Montenegro and Slovenia on the Adriatic are hubs for cocaine trafficking to western Europe. There is limited evidence to support this claim based on seizure data. The fact that the Adriatic coastline is a playground for the rich and (in)famous, past links between Balkan and Italian criminal groups, recent drug-related gang warfare on the Montenegrin coast and the fact that Balkan ports offer relatively easy access to the EU make this highly probable.

**Report author comment:** *This section combines the key elements of previous references. Drug trafficking generates cash rich, high volume outcomes. The location of the Western Balkans and Albanian/Kosovo make for an ideal platform and opportunity to first act as conduits, then transporters for drugs passing through the region. Proximity to Italy, from Albania and ready access via the ferry system that crosses the Adriatic Sea creates networking, routing and direct market access opportunities, avoiding countries north of Albania within the region.*

The Balkans is not only a transit region for drugs. It is also the source of significant amounts of cannabis, mostly Albania. Albanian authorities estimated a total production of 540 tons of (dried) herbal cannabis in 2014. There have also been major seizures including of 101.73 tons of cannabis herb and 24.45 tons of cannabis resin in 2014. Most of Albania's cannabis is destined for Italy and Greece as well as western Europe via the Western Balkans. One of the main areas of cultivation during the past decade has been the village of Lazarat in southern Albania, sometimes referred to as the 'Marijuana Mecca' of 'Europe's cannabis capital'. Some estimates suggest that the village grows 900 metric tons of cannabis, which would be worth USD 6.1 billion — equivalent to half the country's gross domestic product.

**Report author comment:** *Any country with a major drug production capability elevates status within drug trafficking markets. The margins between production costs and international market wholesale values commonly entail many times mark-up. The revenue generated from exported, domestic produced drugs are immediately investable in other drug and organised crime ventures and corruption.*

#### **A2.4 Human trafficking**

Over the past 20 years, human trafficking has been one of the main types of organised crime in the Balkans. The region has been a source of victims of trafficking, a transit region, as well as a destination for trafficked women. However, it seems that human trafficking is in decline in the region. Most Balkan states are source countries for men, women and children subjected to sex trafficking and forced labour, including domestic servitude and forced begging. Particularly vulnerable are women and children, as well as Roma, who are trafficked to western or south-eastern Europe.

The problem seems to have become more localised. In several countries of the region, women and girls are victims of sex trafficking within the country in private residences, bars and nightclubs, as well as truck stops. In the past 2 years, migrants and asylum seekers transiting the region trying to reach Western Europe have become vulnerable to trafficking.

**Report author Tony Sagers comment:** *Cross-cutting organised crime remains a major feature regarding commodities and people. Again proximity, but also combined with vulnerability have made this region and Albania a focal point. Transport, routes, networks and money flows for drugs and people become more fluid and flexible when crime types run parallel under the control of the same OCG. It remains unusual for people and drugs to be conveyed in the same vehicle. Primarily, it is assessed, because people create a greater risk of exposure; thereby increasing the potential for loss of a high value drug consignment.*

#### **A2.5 Firearms**

The Balkans is awash with small arms and light weapons. According to the Small Arms Survey (2012) there are over six million firearms in private hands in the Balkans. This is a legacy of the war in Bosnia and Herzegovina, civil unrest in Albania and stockpiles from the former Yugoslavia.

**Report author Tony Sagers comment:** *The acquisition of firearms and ammunition often poses a challenge for drug traffickers requiring weapons for enforcement, protection and reputation. This is not the case for those with Western Balkan origins.*

**Conclusion:** *The perfect storm has prevailed and is described within the context of these extracts. However, what has not been established in this text, is how they have become so influential and dominant within some EU countries, with certain commodities. Cocaine, for which they are most dominant has no proximity to the Western Balkans and no cultural or language ties with the production region. This is explored in earlier sections of the report.*