

ROUTLEDGE STUDIES IN CRIME AND SOCIETY

# Organised Crime in European Businesses

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ROUTLEDGE



### 3 Organised crime infiltration in the Netherlands

#### Transportation companies hiding transit crimes

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##### **Organised crime and transit crime in the Netherlands: an overview**

Because of its historical development and geographical location, the Netherlands is especially attractive for the through-flow of crime and vulnerable to transit crime. Here we understand transit crime in a very broad sense as the through-flow of criminal assets from an origin country where the crime has been committed to a destination country with the use of an in-between 'transit' country (Unger et al., 2006). In order to determine the role of transportation companies in drug trafficking and other forms of transit crime in the Netherlands, we shall first explore what makes the Netherlands so particularly attractive for drug trafficking and other transit crimes, what are the organised crime groups involved in illegal businesses, what types of transit crime are committed, and what is the magnitude of these transit crimes (Sections 1 and 2). Section 3 then shows the use of transportation companies by organised crime for drug trafficking and other forms of transit crime in the Netherlands.

What makes the Netherlands so particularly attractive for drug trafficking and other transit crimes? Already in the sixteenth and seventeenth century, Dutch 'merchant capitalism' was based on trading, shipping and finance, rather than on manufacturing or agriculture. Merchant capitalism included investments in high-risk ventures such as pioneering expeditions to the East Indies to engage in the spice trade. These ventures were soon consolidated in the Dutch East India Company (VOC), which established the Amsterdam Stock Exchange, subsequently renamed the Amsterdam *Bourse*, in 1602. This was the first stock exchange to formally begin trading in securities. Trade and ship building also helped Rotterdam become Europe's largest harbour (de Vries & van der Woude, 1997). Still today, the port of Rotterdam is the largest port in Europe, and until 2002 also functioned as the world's busiest port, only later to be surpassed by ports in Singapore, Dubai and China.

The trade and finance orientation of the Dutch, combined with their central geographical location on the North Sea amidst large European countries, a big harbour and an important airport, Schiphol, make the country attractive for legal as well as illegal trade and finance. Organised crime groups (hereafter OCGs) in

the Netherlands have adjusted to the Dutch trading patterns and to the country's multi-ethnicity. They use mainly ethnical networks, which are established for specific criminal transaction purposes, rather than relying on strongly hierarchical structures (Kleemans, 2007). This is why 'mafia-type' organisations such as those present in Italy and the United States have not been identified (Kruisbergen et al., 2012).

The Netherlands has been an attractive through-flow country for crime (see Unger et al., 2006). The major criminal groups in the Netherlands engage in international smuggling activities (drugs trafficking, smuggling of illegal immigrants, human trafficking for sexual exploitation, firearms trafficking, trafficking in stolen vehicles) and other transnational illegal activities, such as money laundering, tax fraud and cigarette smuggling (Kruisbergen et al., 2012). Committed crimes, as mentioned above, are mostly transit in nature: organised crime groups are involved in international illegal trade using the same opportunity structure that facilitates regular Dutch economic activities.

In order further to investigate the types of transit crime in the Netherlands, their magnitude, and the role of organised crime in them, we were able to create a database on organised crime cases in the Netherlands. We are grateful to the Dutch Public Prosecution Office (hereafter PPO) for granting us access to its database to study what criminal groups are active in the Netherlands, on which illegal markets they operate, and how big these illegal markets are. After filtering out the most serious and relevant cases of organised crime, Ferwerda & Unger (2015a) ended up with 12,946 suspects in 4,397 cases between 2003 and 2014, on which our analysis below is based.<sup>1</sup>

Table 3.1 displays the prominence of multi-ethnicity. We identified 26 different categories of criminal groups based on the nationality of their members. Compared to domestic Dutch organised crime, the share of foreign criminal groups is, however, small. About two-thirds (68 per cent) of the crime cases are committed by domestic Dutch OCGs. The large variety of criminal groups with foreign nationality that is present, however, confirms the transnational nature of organised crime in the Netherlands. Among the foreign OCGs active in the Netherlands, two groups stand out: Turkish OCGs, which account for 8.3 per cent of the crime cases, and South American OCGs, which account for 4.6 per cent of the crime cases. All other foreign organised criminal groups are involved to a lesser extent. Notably, it is apparent that organised crime groups from Southern, Central and Eastern Europe are not markedly present.

The fact that Turkish OCGs seem to be relatively active is partly due to the fact that the Turks are the largest foreign community in the Netherlands, which in 2014 consisted of approximately 400,000 inhabitants.<sup>2</sup> Turkish-speaking OCGs, however, also have a history of smuggling and drug trafficking. In the 1970s, when many Turkish guest workers came to the Netherlands, there were criminals among them, hidden as guest workers in order to set up drug businesses. At that time, the so-called 'heroin trail', along which Turkish smugglers brought opium from the province of Afyon in Anatolia to Europe, was an important drug route (Yesilgöz & Bovenkerk, 2004a). Today, Turkey is a key

*Table 3.1* Frequency of involvement in Dutch PPO cases per OCG, number and percentage of cases and suspects, 2003–2014

<i>OCG classification</i>	<i>Cases</i>		<i>Suspects</i>	
	<i>N</i>	<i>%</i>	<i>N</i>	<i>%</i>
Dutch OCGs	2,670	68.0	7,486	67.5
Turkish OCGs	326	8.3	766	6.9
South American OCGs	181	4.6	841	7.6
Middle Eastern OCGs	141	3.6	356	3.2
African OCGs	108	2.8	302	2.7
Other Asian OCGs	105	2.7	289	2.6
North African OCGs	84	2.1	239	2.2
Other Western European OCGs	67	1.7	116	1.0
Other Eastern European OCGs	38	1.0	95	0.9
British OCGs	33	0.8	97	0.9
Chinese OCGs	30	0.8	89	0.8
Colombian OCGs	27	0.7	125	1.1
Russian Georgian OCGs	26	0.7	48	0.4
Balkan OCGs	23	0.6	49	0.4
Bulgarian OCGs	14	0.4	28	0.3
North American OCGs	12	0.3	36	0.3
Romanian OCGs	9	0.2	38	0.3
Italian OCGs	8	0.2	20	0.2
Lithuanian OCGs	6	0.2	11	0.1
Albanian OCGs	4	0.1	16	0.1
Motorcycle gangs	4	0.1	27	0.2
Irish OCGs	3	0.08	11	0.1
French OCGs	2	0.05	2	0.02
Japanese OCGs	1	0.03	4	0.04
Mexican OCGs	1	0.03	3	0.03
Spanish OCGs	1	0.03	3	0.03
<b>TOTAL</b>	<b>3,924</b>	<b>100</b>	<b>11,097</b>	<b>100</b>

Source: authors' elaboration on Ferwerda and Unger (2015a, p. 121).

trans-shipment and storage point for criminal organisations to arrange the transport to the EU of heroin shipments trafficked mostly by land from Iran along the Balkan route (EMCDDA, 2015). Although Turkish organised crime groups have a patriarchal structure, they still differ from mafia-type organisations. 'The business is kept tightly shut and it is impossible to see from outside who is the boss' (Yesilgöz & Bovenkerk, 2004b, p. 597). The behaviour of the Turkish OCGs thus fits with the multi-ethnic network organisation typical of Dutch organised crime.

The high-ranking position of South Americans is, on the one hand, most likely due to Dutch colonial history, which established close, long-lasting ties with some of its former colonies. Dutch former colonies include Suriname, which became independent in 1975, and the Dutch Antilles, which used to be part of the Netherlands until 2010. Speaking the same language and sharing

cultural and historical roots makes the Netherlands attractive for both legal and illegal South American business. On the other hand, the geographical location also matters. The Colombian mafia uses the Netherlands quite extensively for its drug business. Colombian and British OCGs are relatively more often involved in drug crimes than other OCGs. This confirms the findings of the 2015 World Drug Report (UNODC, 2015) and European Drug Report (EMCDDA, 2015) that the Netherlands is a transit country along the drug route from Colombia to the United Kingdom.

The Italian mafias rank relatively low. The KLPD (Dutch police) report on the 'Ndrangheta in the Netherlands concludes that there is at least one cell of the 'Ndrangheta operating in the country with at least 12 members, and that this cell is involved in, among others, drugs trade and smuggling, trafficking in firearms, money laundering and swindle companies (KLPD-DNR, 2011). Chinese criminals rank relatively low, and they are hardly ever mentioned in the media in the Netherlands. Even though 48 Chinese were killed between 1992 and 2007 – almost all of them in the criminal underworld – they hardly ever showed up in the statistics. The main crimes committed by Chinese OCGs in the Netherlands are drugs trade (via its harbour Rotterdam), extortion (of other Chinese), human trafficking, exploitation (of other Chinese) and illegal gambling (ACB Knowledge Centre, 2011). If the Chinese are the main victims of the Chinese OCGs and the Chinese hardly ever report crimes to the police (ACB Knowledge Centre, 2011), this might explain their relatively low presence in the Dutch PPO database.

As regards the types of criminal activities in which OCGs are involved, most cases refer to fraud, drugs, counterfeiting and human trafficking (Table 3.2). There is, however, some evidence that Dutch organised crime is more dominant in the illegal market of fraud (in 72 per cent of fraud cases) and in counterfeiting (in 67 per cent of counterfeiting cases), while foreign organised crime groups are more visible in crimes of a more international nature, such as drugs, firearms and human trafficking. Almost half of the drug business and of human trafficking involves foreign organised crime (46 per cent of the drug cases and 48 per cent of the firearms trafficking concern non-Dutch suspects). Moreover, Dutch organised crime is engaged to a very little extent in human trafficking (only 21 per cent of the cases concern Dutch suspects). For illicit trafficking in tobacco products and illegal gambling, there are not enough observations to draw firm conclusions.

### **Drug trafficking, transit crime and the role of legal businesses**

To what extent is legal business infiltrated by crime, and in particular by transit crime? How are transportation companies misused by drug traffickers? Before discussing these connections, it is useful to provide a brief description of the structure and the magnitude of the drug market in the Netherlands.

Table 3.2 Frequency of OCG involvement in illicit markets in Dutch PPO cases, number of cases, 2003–2014

OCG classification	Drugs	Human trafficking	ITP <sup>a</sup>	ITTP <sup>b</sup>	Counterfeiting	Illegal gambling	Fraud
Dutch OCGs	166	26	11	3	147	4	1,815
Turkish OCGs	29	7	4		18		241
South American OCGs	22	9	1		15		106
Middle Eastern OCGs	6	13	2	1	8		91
African OCGs	8	15			9		51
Other Asian OCGs	7	16			6		54
North African OCGs	9	4		1	5		43
Other Western European OCGs	4	2		2	2		43
Other Eastern European OCGs	3	7		2	6		14
British OCGs	12						19
Chinese OCGs	1	12			2		6
Colombian OCGs	17						4
Russian Georgian OCGs	2	3	1				16
Balkan OCGs	6	1	1				9
Bulgarian OCGs		4					8
North American OCGs	2	2	1				4
Romanian OCGs		3		1			4
Italian OCGs	2						4
Lithuanian OCGs	2	1					4
Albanian OCGs	3						2
Motorcycle gangs	3						1
Irish OCGs	1						2
French OCGs							1
Japanese OCGs	1						
Mexican OCGs							
Spanish OCGs	1						

Source: authors' elaboration on Ferwerda and Unger (2015a, p. 124).

Notes

a Illegal trafficking in firearms.

b Illegal trafficking in tobacco products.

*The structure and the magnitude of drug trafficking in the Netherlands*

Drug trafficking is the most profitable illegal activity in the Netherlands (measured by the estimated illegally obtained benefits per suspect, see Table 3.3), as it is in many other countries. Drug trafficking is also an important transit crime, since drug routes start in Asia or South America, and end in Europe or the US. Cocaine, which is almost exclusively cultivated in South America, is mostly smuggled through Africa or the Caribbean before reaching Europe, according to the 2015 World Drug Report (UNODC, 2015, p. 48). Opiates are almost exclusively produced in Myanmar and Afghanistan. Drug routes of Afghan opiates include the 'Northern route' through Central Asia to Russia, the 'Southern route' through Iran or Pakistan to Asia, and the 'Balkan route' through Iran and Turkey to Europe (UNODC, 2015, p. 48). The European Drug Report of June 2015 (EMCDDA, 2015) speaks of a north-west hub.

Belgium and the Netherlands are key landing points and distribution hubs for heroin consignments travelling by land, sea or air along the Balkan and Southern routes. Large heroin consignments are broken down into smaller batches and trafficked in multiple ways to other countries of Western Europe and to Scandinavia.

*Table 3.3* Estimation of illegally obtained benefit per illegal market in Dutch PPO cases, 2003–2014

<i>Illegal market</i>	<i>Number of suspects for which the illegally obtained benefit has been estimated</i>	<i>Total amount of estimated illegally obtained benefit (million euro)</i>	<i>Average illegally obtained benefit per suspect (million euro)</i>
Drugs	95	300	3.2
THB <sup>a</sup>	45	18	0.41
TF <sup>b</sup>	1	0.091	0.091
TFP <sup>c</sup>	0	–	–
Counterfeiting	49	7.6	0.16
Illegal gambling	4	71	17.8
Fraud	251	284	1.1

Source: authors' elaboration on Ferwerda and Unger (2015a, p. 122).

## Notes

- a Trafficking in human beings.
- b Illegal trafficking in firearms.
- c Illegal trafficking in tobacco products

Note that the illegally obtained benefit is not estimated for all suspects, so the totals reported in this table could only be interpreted as the lower boundary of the actual illegally obtained benefit. The reported average benefit is not the actual average benefit of this crime, because the database consists of only the most serious and big cases of the PPO (see Savona & Riccardi, 2015). Including all cases of the PPO would bring this average down. Moreover, the estimation of the illegally obtained profits could be done more often in bigger cases affecting the representability of these figures

The Netherlands, Morocco and Spain have been mentioned in individual drug seizures as the main departure or transit countries for cannabis over the past decade as a whole, and they continue to be so when considering more recent trends during the period 2010–2014.

(UNODC, 2015, p. 229)

As Table 3.3 shows, along with fraud, drugs are the most important illegal market in the Netherlands. This is in line with the findings in other EU countries such as Finland, France or Spain (e.g. Palomo, Márquez & Laguna, 2015, p. 128; Petrell & Houtsonen, 2015, p. 98; Riccardi & Salha, 2015, p. 101) and with former international research on the relative size of illegal markets (e.g. Reuter & Truman, 2004; Walker & Unger, 2009). Our database of relevant cases of organised crime – as discussed in Ferwerda and Unger (2015b) – features 95 drug cases with an average benefit per suspect of €3.2 million. The number of fraud cases is 251 with an average benefit per suspect of €1.1 million.

The total estimated illegally obtained benefit in the drugs market in the PPO database is almost €300 million between 2003 and 2014. The total size of the drugs market in the Netherlands has been estimated by Kilmer and Pacula (2009) to be around €600 million per year. Unfortunately, the PPO database does not allow differentiation among different drugs, although it is known that these have rather distinct markets, as we will briefly describe below before focusing on the infiltrated companies and business sectors.

### *Heroin*

Imported heroin has historically been available in Europe in two forms, the most common being brown heroin (its chemical base form), originating mainly in Afghanistan and other countries in south-west Asia. Less common is white heroin (a salt form), which historically came from south-east Asia but is now also produced in Afghanistan and probably in neighbouring Iran and Pakistan. This region, sometimes referred to as the Golden Crescent, dominates production for the European market (EMCDDA, 2015). When compared with other EU countries, heroin is relatively cheap in the Netherlands. The street price of one gram of heroin is between €20 and €40. The wholesale price is estimated at €14,000 per kilo. The massive increase in demand for heroin in the last decade in the EU did not occur in the Netherlands (KLPD, 2012). According to the Trimbos-instituut the number of consumers in 2011 was estimated at between 17,300 and 18,100 (van Laar et al., 2012). Giommoni (2015, p. 45) estimates the annual revenues from heroin in the Netherlands in 2012 at about €54 million, which is lower than Kilmer and Pacula's (2009) estimate for 2005 of €78.6 million.

### *Cocaine*

Cocaine use continues to decline in Western and Central Europe and North America, and cultivation of the coca bush is at its lowest since the mid-1980s



(UNODC, 2015). Nevertheless, cocaine is very popular in the Netherlands, with 55,000 users and a total consumption estimated at 1,660 kilos per year (UNODC, 2010). Its consumption increased heavily from 1998 to 2006, and stabilised thereafter (KLPD, 2012). The profits in this illegal market are very high. One kilogram of cocaine can be bought for about US\$3,600 (about €3,200) in the source country and sold in the Netherlands for about US\$20,000 (about €18,000) (KLPD, 2012). Giommoni (2015, p. 47) estimates that the annual revenues of the cocaine market in the Netherlands (2005) amount to about €85 million, which is slightly lower than the estimate by Kilmer and Pacula (2009), who evaluated the total size of the Dutch cocaine market at €101.7 million in 2005. If one also takes account of the fact that Rotterdam in the Netherlands and Antwerp in Belgium are the main import harbours for cocaine in Europe, OCGs that are active in the Netherlands and export cocaine to other countries may make larger proceeds than those estimated above, since they are calculated only on the basis of the internal consumption at the retail level.

### *Cannabis*

Personal production and use of cannabis is tolerated in the Netherlands. Cannabis is sold in so-called 'coffee shops'. The production of more weed than for personal usage, however, is illegal and individuals doing so risk prosecution. The probability of getting caught producing weed beyond levels for personal use is actually relatively high, with estimates ranging between 30 and 50 per cent (Van der Heijden, 2006). The Netherlands is probably still the most important source country for seeds and cuttings, as well as growing technologies and knowledge (Europol, 2013). The Dutch cannabis market was estimated at 480 tons in 2011 (Jansen, 2012). Caulkins and Kilmer (Caulkins, Kilmer & Graf, 2013) estimate the size of the Dutch cannabis market at €305 million in 2005.

### *Amphetamine-type drugs*

While the Netherlands is a through-flow country for many drugs, it is the most important producer country of ecstasy globally (Europol, 2013). The most widely consumed synthetic drugs in the Netherlands are ecstasy (about 1.4 per cent of the population in 2009) and amphetamine (used by 0.4 per cent of the population in 2009) (KLPD, 2012). Estimates of the production of synthetic drugs in the Netherlands varies between 66 and 1.343 million tablets (KLPD, 2012). Assuming a price of €3 per tablet (KLPD, 2012), the annual turnover of the Dutch ecstasy market lies between €198 million and €4 billion. Kilmer and Pacula (2009) estimate the size of the Dutch ecstasy market as much smaller, between €16 and €130 million.

### *Infiltrated companies and business sectors*

The available information on infiltrated companies and business sectors is that included in the database on references to organised crime investments analysed

by Ferwerda and Unger (2015b). This database includes cases collected from judiciary and police reports and other publicly available sources. In 613 among the 859 references to the Netherlands, the business sectors of infiltrated businesses could be identified. To give a reference point for the Dutch situation: according to the evidence collected by a multi-country comparative study, the business sectors most vulnerable to infiltration by organised crime groups are (see Riccardi, Soriani & Standridge, 2015, p. 156): bars and restaurants; construction; real estate activities; hotels; wholesale and retail trade, in particular of food products and of clothing; and transportation. Although this list of the business sectors most vulnerable to infiltration by criminal activities is similar across countries, and therefore quite general in nature, there are differences among countries. These may depend on many variables, including the country's business structure and entrepreneurial culture (e.g. criminal investments in agriculture and fishery are higher in Spain than in the Netherlands or Finland, see Palomo, Márquez & Ruiz, 2015), investment opportunities, and differences in terms of national administrative and regulatory systems.

Criminals in the Netherlands prefer to invest in sectors with which they are familiar (Kruisbergen et al., 2012). According to our database (see Ferwerda & Unger, 2015b), the most popular sectors for OCG investments are transportation and renting of motor vehicles, wholesale and retail trade, bars and restaurants, and hotels and other tourist accommodations.

The transportation sector is attractive for transit crime (see Section 3 below). Criminal goods can be transported and smuggled together with legal goods. Transportation and renting of motor vehicles is particularly attractive for motorcycle gangs and OCGs involved in illicit trafficking activities. Moreover, investing in this sector creates possibilities to use, for instance, trucks or ships belonging to the company for drugs trafficking, human trafficking or illicit trafficking in tobacco products (Kruisbergen et al., 2012).

Wholesale and retail trade are also attractive for transit crime. They constitute the biggest sector in the legal economy, so that they may be overrepresented in the investment portfolios of OCGs. Export-import businesses can be used for trading in both criminal and legal goods. This sector also offers many opportunities for money laundering. Fake invoices offer possibilities for trade-based money laundering. The sector also involves many cash transactions, which create money laundering opportunities. Bars, restaurants, hotels and other tourist accommodations are relatively cash intensive and attract criminal investment in order to launder money, thus enabling organised crime groups to hide illicit proceeds of crime. Kruisbergen, Kleemans, and Kouwenberg (2015, pp. 364–370) draw a similar conclusion regarding the sectors most vulnerable to infiltration by criminal activities after analysing 150 organised crime cases in the Netherlands.

Wholesale trade, retail trade and transportation are the legal business sectors most likely to be infiltrated by criminal groups involved in transit crime. Export and import companies can be used to export and import legal and illegal goods; and they can be used to issue or receive fake invoices in order to transfer illegal money and for other forms of trade-based money laundering. The transport

sector is a very important sector to support this business. There is also some evidence that international OCGs in the Netherlands prefer to invest back in their country of origin (Ferwerda & Unger, 2015b, p. 198), but there is not sufficient data on international confiscations by the Dutch PPO to draw firm conclusions on this point. The regions with most criminal investments are located around Amsterdam with its international airport and Rotterdam with its international harbour (Ferwerda & Unger, 2015b, p. 196). This again supports the view that the Netherlands is an important country for transit crime.

### **The role of Dutch transportation companies in transit crimes**

As mentioned above, the transport sector is attractive for criminals. Transportation means like cars can be stolen and sold abroad. Ships can be hijacked. Ship cargos can be stolen and redirected elsewhere. Trucks can be used for the transport of legal and illegal goods. Transportation and logistics companies can be used for the illicit trafficking of drugs, counterfeits, firearms or human beings. It is no coincidence that one of the preferred sectors for criminal investment is logistics (Riccardi et al., 2015); OCGs set up transportation companies as fronts, misusing companies' legitimate trucks or containers for illicit trade purposes (e.g. Kruisbergen et al., 2012; Van Koppen & De Poot, 2013). Transportation means can also be used to transport large amounts of cash money.

Transportation is a business which can also be used to hide illicit proceeds and money laundering through fake invoices and trade-based money laundering. Foreign shipping companies can be established in a country for transit crime. Airports and harbours are important strategic centres of transportation that criminals can try to bring under their control in order to be able to fly and ship criminal goods. They can also be abused for terrorist purposes. Europol (2009) warns that Dutch airports are used by OCGs for drug smuggling with methods like Transit-Point-Stacking and the so-called 'shotgun method'. With Transit-Point-Stacking the OCG files a flight plan consisting of multiple sequential flights in an effort to hide the initial origin of couriers. With the 'shotgun method' an attempt is made to overwhelm customs controls by having multiple couriers on a single flight; in one instance, 28 couriers were detected on the same flight.

Transportation companies can play a key role in control of the territory and may be related to cargo crimes (Kleemans, De Poot, Kalidien, Kouwenberg & van Nassou, 2007). Consideration of criminal careers in the Netherlands that originate from legal professions shows that most come from the trade business (Kleemans et al., 2007, p. 2). Transportation can be used as a front for illicit activity (e.g. using transport or shipping companies to hide the smuggling of drugs); and to 'launder' stolen products (e.g. fake wholesalers) (Kruisbergen et al., 2012). A recent example of this is the Acero-Krupy case. The Krupy (originally Crupi) family members in the Netherlands were not only active as drug dealers but were also involved in the flower growing and trade sector, controlling a vast segment of the Dutch market with typical mafia-methods. The Krupy

brothers were also shareholders in an Italian wholesale trade business of flowers in Siderno, Calabria, and Latina, Lazio. Flowers from the Netherlands were sent to Italy through a network of import-export companies guaranteed by two Dutch companies founded by the two brothers. The two Dutch companies allowed the family and other 'Ndrangheta clans to launder huge amounts of money from drug trafficking, and to 'launder' stolen goods, such as 259 tons of chocolate, for a value higher than €7 million, stolen from the Italian branch of a major Swiss chocolate company and then resold in third countries such as Hungary (Anesi & Rubino, 2015).

Another example is described in Van Koppen and De Poot (2013, p. 81). After Edgar (a pseudonym) finished intermediate technical school at the age of 21, he started working as a car salesman at a Volkswagen dealer. After 10 years he switched to a job at a different car-dealing company, where he started trafficking drugs for criminals. Edgar declared that at his new job: 'You are approached by clients from all sides.' Thirty years later he is serving a 10-year sentence for holding a leading position in a crime group involved in drugs trade. Van Koppen and De Poot (2013, p. 82) also describe another relevant case. Daniel (a pseudonym), aged over 60, owned two trading companies that were concerned with bulk buying and selling. These companies used hangars to store goods. Initially, Daniel was approached by a foreigner with whom he had already done legal business. Daniel became involved in a criminal smuggling group, for which he organised cross-border transport. Daniel explained that '[i]f I hadn't owned a business, I would never have gotten involved.'

According to the 2015 World Drug Report (UNODC, 2015), the frequency of use of different modes of transportation used by drug traffickers has not changed a great deal over the past decade. Accounting for nearly half the reported individual drug seizures in the 2009–2014 period, trafficking by road and rail is the most common mode of transportation used by traffickers globally, along with trafficking by air. The average size of drug shipments intercepted on road and rail increased substantially from 68 kilograms between 2006 and 2008 to 107 kilograms between 2009 and 2014 (UNODC, 2015). Maritime trafficking is the least common in terms of individual seizure cases, accounting for only eight per cent of all reported cases in the past six years, but maritime seizures tend to be comparatively very large. With an average weight of 365 kilograms per seizure in the 2009–2014 period (compared with 250 kilograms in the 2006–2008 period), maritime seizures are by far the largest among the three modes of transportation. This confirms that interdiction of maritime shipments potentially has the greatest impact on the total quantities of drugs smuggled, as well as on trafficking flows and the availability of illicit drugs at the global level (UNODC, 2015).

The ports of Rotterdam in the Netherlands and Antwerp in Belgium are of particular importance for drug trafficking. Large containers can transport several tons of drugs. Police officers in the Netherlands and Belgium also report cases of criminals hacking ship containers in order to steal them. Containers with drugs are also hacked in order to steal them from other drug dealers.

The plot, which began in 2011, reportedly involved a mix of international drug gangs and digital henchmen: drug traffickers recruited hackers to penetrate computers that tracked and controlled the movement location of shipping containers arriving at Antwerp's port. The simple software and hardware hacks – using USB key loggers and more sophisticated purpose-built devices – allowed traffickers to send in drivers and gunmen to steal particular containers before the legitimate owner arrived.

(Pasternack, 2013)

All these cases show that the infiltration of transportation companies by criminal groups is higher in transit countries like the Netherlands than in other countries (Ferwerda & Unger, 2015b). According to the 2015 World Trade Report (UNODC, 2015, p. 48), Belgium and the Netherlands remain important transit points for heroin trafficking to the United Kingdom via heavy goods vehicles and ferries. This also makes the transport sector in these countries more vulnerable than in other countries.

#### *The seizure of boats, trucks and other transport-related assets*

Evidence collected by Savona & Riccardi (2015) shows that also those registered assets related to transport, such as cars or boats, play an important role in the portfolio of OCGs and in terms of asset seizures. These registered assets are instrumental to many illicit activities (e.g. boats for drug transportation), as well as status-symbols for criminal group members and a reflection of the criminal group's culture (e.g. 'choppers' for motorcycle gangs). In particular, they are central for the transportation of illicit goods of any kind.

Boats are widely used, for example, to transport trafficked persons and drugs. In particular, cargo ships are often used to traffic counterfeit goods, illicit drugs, stolen assets and illicit tobacco products (Transcrime, 2015; UNICRI, 2011; WCO, 2014). The evidence collected and discussed above shows that OCGs may directly control cargo companies, e.g. in the Netherlands for drug trafficking (Kruisbergen et al., 2012, 2015). Registered assets also serve prestige purposes: cases of seizure from OCGs of Ferrari, Lamborghini and other luxury cars, yachts and even jets and helicopters are not rare (Soriani, 2015). To be noted in this regard is the use of pipers and other small aircraft as alternative means to transport drugs, persons, and other illicit goods from Morocco, the western Balkans or among EU member states (Europol, 2011; Olimpo, Galli & Santucci, 2014).

#### **Conclusions**

The Netherlands is an attractive country for transit crime, in particular drug trafficking and human trafficking. This is due to its geographical location, its historical development as a trade and finance centre and its expertise in logistics, which make it a through-flow country for goods and services. It is attractive for

legal business but also vulnerable to illicit business. The country's good infrastructure for trade and transport, including Europe's busiest port and one of the largest European airports, attract legal business. But these very special features are also used by domestic and foreign organised crime groups infiltrating legal businesses. Dutch organised crime is still the most important actor among criminal organisations active in the Netherlands. Foreign OCGs are active in particular types of crime such as drugs, firearms and human trafficking. The most important non-Dutch organised crime groups in the Netherlands are from Turkey and South America, but a total of 27 nationalities could be identified on examining PPO files.

The drug business is the most profitable one, and the transport sector plays an important role in facilitating it. Transportation by land, air and sea is used to transport drugs through the world, using the Netherlands as a hub. Accordingly, it can be concluded that the transport sector in the Netherlands is even more vulnerable than in most other countries. This vulnerability is further increased by the presence of Schiphol airport (one of the largest in Europe), Rotterdam harbour (the busiest port in Europe), and the truck transportation system for export and import businesses. All these can be misused by organised crime to smuggle drugs and human beings.

The transport sector is difficult to regulate, since it consists of many small companies. To limit criminal investments in businesses such as bars and restaurants, the Netherlands has implemented the so-called BIBOB Act that allows administrative institutions to revoke or reject licences when there is suspicion of criminal involvement. Since the BIBOB Act came into effect, the Netherlands has become the second European country, after Italy, with administrative regulations against organised crime. An internal evaluation of the BIBOB Act showed that the possibility of being screened discouraged several applicants from continuing the application process for a licence and limited possible effects of displacement (Huisman & Nelen, 2007). Similar creative regulations would be needed for the transport sector and for obscure export and import businesses. Since the location of transport companies can be easily moved, cooperation between municipalities or a national register open to all municipalities might be needed. In addition, international cooperation and pre-warning systems to stop criminals at the borders or to trace their individual trafficking routes should be improved.

## Notes

- 1 See Savona & Riccardi (2015) for details on the dataset and the filtering of cases.
- 2 See Dutch Central Bureau of Statistics ([www.statline.cbs.nl](http://www.statline.cbs.nl)).

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