

Overview of Serious and Organized Crime in the Southern African Region

30 July 2018

ANALYTICAL REPORT



This project is funded
by the European Union

This analytical report was compiled in the framework of the European Union (EU) funded Project ENACT (Enhancing Africa's response to transnational organized crime) and was produced with funding from the EU. The contents of this report are the responsibility of the author(s) and can no way be taken to reflect the views or position of the European Union or the ENACT partnership. Authors contribute to ENACT publications in their personal capacity.

© 2018, ENACT. Copyright in the volume as a whole is vested in ENACT, its partners, the EU and the author(s), and no part may be reproduced in whole or in part without the express permission, in writing, of the author and the ENACT partnership.

ENACT is implemented by the Institute for Security Studies and INTERPOL, in association with the Global Initiative Against Transnational Organized Crime.



**THE GLOBAL INITIATIVE
AGAINST TRANSNATIONAL
ORGANIZED CRIME**

Disclaimer

This publication must not be reproduced in whole or in part or in any form without special permission from the copyright holder. When the right to reproduce this publication is granted, INTERPOL would appreciate receiving a copy of any publication that uses it as a source.

All reasonable precautions have been taken by INTERPOL to verify the information contained in this publication. However, the published material is being distributed without warranty of any kind, either expressed or implied. The responsibility for the interpretation and use of the material lies with the reader. In no event shall INTERPOL be liable for damages arising from its use. INTERPOL takes no responsibility for the continued accuracy of the information contained herein or for the content of any external website referenced.

This report has not been formally edited. The content of this publication does not necessarily reflect the views or policies of INTERPOL, its Member Countries, its governing bodies or contributory organizations, nor does it imply any endorsement. The names shown and the designations used on any maps do not imply official endorsement or acceptance by INTERPOL. The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of INTERPOL concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

© INTERPOL 2018
INTERPOL General Secrétariat
200, quai Charles de Gaulle
69006 Lyon
France
Web: www.INTERPOL.int

Contents

Executive Summary	4
Key Findings	5
Introduction	7
Scope & Methodology	8
Analysis and Findings	8
Criminal Organizations or networks	8
Structure and Dynamics	8
International Criminal Organizations.....	11
Trafficking and Illicit Markets.....	12
Financial Crimes	13
Drug Trafficking	14
Wildlife Crimes	19
Human Trafficking	21
Organized Theft and Robbery	23
Organized Violence	25
Enabling Crimes and Criminal Convergences	27
Cybercrime.....	27
Small Arms and Light Weapons	28
Criminal Convergences and Other Crimes (Regional Crime Dynamics)	30
Illicit flows of money and assets.....	31
Money Laundering.....	31
Alternative Remittances.....	33
Conclusions.....	35
References.....	36

Executive Summary

Transnational organized crime in the Southern African region is a growing issue. As a result, INTERPOL, under the European Union funded ENACT Project, has sought to catalogue and assess organized crime in the region in order to drive a more strategic law enforcement response.

International criminal organizations continue to target the region due to the significant illicit wealth that can be generated, stemming from criminal market opportunities that exploit various social and political vulnerabilities, including state fragility, limited policing capacities, and corruption. International criminal organizations or networks operate everywhere in the region via key facilitators and bring together a significant array of crime syndicates and street gangs that provide illicit goods and services throughout the region. Crime syndicates remain highly connected across borders and are active in a number of illicit markets, notably financial crimes, organized theft and robberies, drug trafficking, wildlife crimes, human trafficking, and organized violence for profit. In addition, there are a number of enabling crimes such as cybercrime and the trade in small arms and light weapons that are supporting organized criminality throughout the region, which overlap in complex ways with all of the illicit markets noted. Organized crime in the region generates significant profits for all involved and there are substantial illicit interregional financial flows and illicit profits moving throughout the region and often heading offshore. Money laundering relating to all criminal market activities in the region is occurring on a global scale.

The threat from organized crime in Southern Africa is substantial yet there is limited capacity amongst law enforcement to manage this complex issue. Organized crime is going underreported and undetected, despite various data sources revealing major activities and dynamics of groups and networks are active in the region. This concern needs strategic action, through stronger partnerships amongst law enforcement agencies throughout the region, enabled through a greater awareness of the overall issue at a regional level.

Key Findings

- ❖ Crime syndicates are a common trans-border criminal element in the region, with larger coordinating elements and key facilitators often going undetected because of their operating in third party jurisdictions/countries, either within the region or abroad.
- ❖ The region is increasingly connected to illicit markets worldwide via various international criminal organizations that are targeting the region specifically to maximize illicit gains, and this involvement is suspected to be on the rise.
- ❖ Asian organized crime syndicates are noted throughout the region, involved in a number of criminal markets; subjects of interest are often linked to a range of legitimate businesses, but direct involvement in criminality remains highly concealed and well insulated.
- ❖ Other international criminal groups from Europe and the Americas link to criminal markets ongoing in the region, yet these elements are suspected to be active in most countries, beyond the rates of detection; and these elements often link local gangs to the international supply of a range of illicit commodities.
- ❖ International criminal organizations active in the region are able to exploit a number of socio-economic dynamics in the region to maximize illicit profit and manage a number of illicit markets all at once, all with limited law enforcement response and facilitated by corruption.
- ❖ Financial crimes and frauds, beyond money laundering, are suspected to be the most profitable and prolific types of organized crime activity in the region in terms of profits generated, volume of incidents occurring, and the overall impact on communities and development; it is also suspected to be on the rise.
- ❖ Analysis suggests that the region is a global hub for narcotics in terms of trafficking and transshipment because of Southern Africa's geography in relation to both South America and Asian source countries. This combines with the region's potential for money laundering profits; information also suggests that cocaine is present in most countries in southern Africa; and is replacing cannabis as the most trafficked drug in the region.
- ❖ Wildlife crimes are an ongoing issue in the region, receiving much political attention regarding rhino horn and ivory trafficking. Yet lesser-known animal commodities such as other non-endangered species, targeted for their hides and meats or other parts, are suspected to be trafficked in higher volumes, generating large profits, and linking to a host of other rural crimes including stock theft.

- ❖ Human trafficking, most often in the form of domestic servitude and other labor exploitation, is an ongoing issue in the region, yet is often hidden from law enforcement and conflated with illegal migration issues; sexual exploitation is ongoing in the region also, yet largely underreported and under-detected.
- ❖ Organized theft, robberies, and other property crimes are often syndicated at a higher-level, with smaller groups or cells forming only smaller parts of larger illicit networks, linking to corruption and other trans-border crimes, while acting as a base for criminal elements supporting most other criminal markets.
- ❖ Syndicates active in the theft and trafficking of stolen or cloned vehicles are the most commonly detected crime groups in the region and fraud is a major aspect of this criminal market.
- ❖ Organized violence is another major aspect of organized crime in the region and it remains endemic in most criminal markets found to be ongoing. The targeting of persons for assassination or to be used as commodities for the selling of body parts, for use in occult ritual or other targeted violence, has the potential to become more organized by syndicates as demand for various services rises.
- ❖ Illicit firearms are significantly fueling organized crime in the region and most often are trafficked via legitimate sources and then diverted to the illicit market in a variety of ways, often facilitated through corruption. There is limited supply of weapons in the region however, leading to more acts of violence to obtain them through robbery or the manufacturing of homemade firearms which hinders traceability.
- ❖ Finally, the geopolitical nature of the region, noting large informal and cash-based economies in close proximity to large and sophisticated financial hubs, is relatively unique in the world for systemic, sustainable, and significant money laundering activities on a global scale, attracting the attention of most international criminal organizations.

Introduction

Organized crime is a global issue, leaving no jurisdiction unaffected. It is all crimes committed by groups of individuals, working in concert to generate illicit profits over time for continued and collective gain. Groups of individuals will, in order to carry out a range of crimes, form networks or syndicates often characterized as criminal organizations, and it is these criminal organizations that will seek to grow illicit activities wherever possible. They will conduct criminality whenever an illicit opportunity exists and they pose a direct threat to government and civil society. They will inevitably grow if left unchecked and the nature and dynamic of criminal organizations jeopardizes sustainable peace, political stability, erodes trust in public institutions, nurtures corruption, and fuels violence. Criminal organizations disrupt democracy and undermine economic potential and real growth, and at times, are linked to armed insurgent groups or terrorist organizations, which accents the increasing threat posed by organized crime to public safety and social order. In total, organized crime results in a significant harm to persons and communities, and impacts countries in a variety of ways if left unchecked.

SOUTHERN AFRICA IS NOT IMMUNE TO ORGANIZED CRIME ACTIVITY. IT MAY EVEN BE AT GREATER RISK OR HARM FROM GROUPS, GANGS, AND SYNDICATES.

Criminal organizations will work in ways that reflect the jurisdiction in which they operate, exploiting existing societal weaknesses and entrenching themselves if not targeted by law enforcement successfully. Additionally, the general public and society, depending on various socio-economic and cultural nuances, may at times accept their activities. Groups will exploit any aspect of a given community that is by either law or convention illegal, responding directly to any demand for an illicit good or service. They will adapt to what is explicitly made illegal, circumventing any set of laws enacted to fight them, and thus will take on different forms, norms, and practices depending on a given criminal opportunity present in a particular place and time. Organized crime will accordingly differ and take on unique structures, systems, and practices from country to country, region to region, and will pose different and

unique challenges to law enforcement depending on where they operate.

Around the world, organized crime systemically controls almost every aspect of complex criminal enterprise and Southern Africa is not immune to organized crime activity. It may be at even greater risk of harm from groups, gangs and syndicates, given the region's distinctive set of socio-economic realities.

Southern Africa has vast natural resources, an array of political jurisdictions, numerous and porous borders, varying and differing criminal or penal laws, varying levels of corruption, poverty, high-levels of unemployment, varying levels of policing capacity, and a range of security and state fragility issues.

The free movement of people and goods, varying levels of development and economic prosperity, and the interconnectivity of it all, are fueling complex crime in the region in a unique way.

All of these socio-economic realities underpin a strong organized crime element that is operating throughout Southern Africa, impacting countries locally, continentally, and globally, with many activities suspected to be on the rise.

To understand organized crime in the Southern African region better, and to combat it more effectively, a thorough understanding of how it is functioning within the region is essential.

Law enforcement and decision makers need to understand how it works beyond a single set of borders. They need to know what criminal activities groups are involved in and how. They must also understand the various enabling crimes that are being committed transnationally in support of organized crime structures.

The dynamics of criminal groups operating across the region must be assessed and an understanding of how they facilitate the flow of vast volumes of illicit goods and services is necessary. Therefore, the Project ENACT (Enhancing Africa's response to transnational organized crime) has undertaken this assessment of serious and organized crime in the Southern African region.

Two versions of this report exist. This report is the public version of the completed analysis, which included police information; where specific police information was used, this information has subsequently been sanitized for public distribution.

Scope & Methodology

The primary objective of this report is to provide a comprehensive assessment of organized crime in the Southern African region, which includes the following countries: Angola, Botswana, Congo (Democratic Republic of), Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Tanzania, Zambia, and Zimbabwe.

This assessment draws upon an analysis of available data and presents conclusions about the current nature, scope, dynamics, and activities of organized crime in the region.

The following assessment provides an overview of the major aspects of organized crime both in terms of the groups suspected to be active throughout the region and the types of illegal enterprise they are found to be engaged in.

This assessment follows an all source intelligence analysis methodology. It is the result of integrating multiple data sources. The integration of multiple data sources provides the most accurate picture of what is occurring in the region and only when various data are used in conjunction, can an accurate picture of complex issues emerge, seeing them beyond any constituent part or perspective. Multiple data sources allow for cross-referencing and information verification or corroboration. All data sources herein are combined through analysis; analytical judgments were made throughout the analysis based on all facts available at the time of writing.

Analysis and Findings

The following analysis is broken down into four parts as per the INTERPOL organized and emerging crime framework, covering criminal organizations or networks, illegal trafficking and illicit markets, enabling crimes and criminal convergences, and finally illicit flow of money and assets.

This analysis first covers criminal organizations and networks and their various structures and dynamics. It then covers the array of criminal markets detected in the region in depth per criminal market type. It explores cybercrime, corruption, and firearms as major enabling crimes plus highlights where various criminal markets overlap (convergences); and then the report explores the various dynamics of illicit profit and illicit financial flows both within the region as well as the flow in and out of the

region. Many of these sections have several sub-sections and are arranged according to those patterns and trends detected through analysis or in a logical flow reflecting analytical findings in terms of scope or severity of a crime issue. This analysis begins with understanding all criminal organizations and networks found to be active in the region.

Criminal Organizations or networks

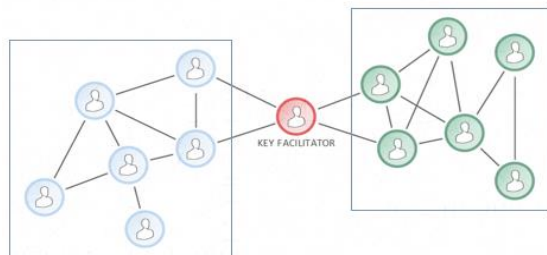
This section identifies the many dynamics of crime syndicates found to be active in or affecting the Southern African region. It highlights how criminal syndicates connect across the region and it highlights how they function and reveals the core criminal activities that groups or gangs are involved in, and reveals how they remain active and sustainable, given the unique socio-economic conditions of the region. This analysis also draws attention to specific international criminal organizations when identified and outlines how they form and operate locally, regionally, and transnationally. It focuses on those core international criminal organizations that have been detected in the region and continue to facilitate criminal enterprise in every country.

Structure and Dynamics

Analysis of all available data for the region suggests that Southern Africa is significantly affected by crime syndicates. It is known that syndicates are active across the region, inferred from the many types of ongoing organized criminal activities being detected both by police and civil society organizations. Syndicates that are typically not bound by any one jurisdiction, with associates networked across borders, are assumed to be active, given the existence of various crime dynamics that require transnational connectivity. Ongoing organized crimes detected throughout the region such as drug or firearms trafficking require constant and complex supply chains and logistical schemes, which must be in place in order for them to function. Subsequently, syndicates must be present, as vast networks of associates and acquaintances are required to broker deals and ensure supply is ongoing or becomes available when needed.

Organized crime throughout Southern Africa is comprised of criminal networks, linking many of the countries in the region together, and the region to the world. These networks, with limited high-level and direct central leadership, undertake a range of criminal activities. The dynamics of crime syndicates in the region

limits the ability of any central planning figure or higher-level person from taking control, which makes the detection of a clear regional crime syndicate as a distinct criminal organization with a clear hierarchy difficult.



Key Facilitator Structure

Key facilitators run the majority of criminal networks in the region, and most often syndicate structures remain flat, largely going undetected at a higher-level.

As an alternative to any discernable central control, research suggests that the coordination of organized criminal activities are often carried out by a more complex system of co-offending networks, linked and managed via key facilitators—central persons acting as brokers, deal makers, and/or beneficiaries. Key facilitators are involved in criminal activities and enable criminal opportunity everywhere. Key

facilitators will enable local criminal elements and will ensure all demand for criminal goods and services are met with sufficient illicit supply from within the region or from abroad.

Intermittently there is a small percentage of groups that are run by major crime 'bosses' or 'kingpins', but when syndicates are centrally controlled, the persons at the top will remain insulated from criminality, making syndicates difficult to truly dismantle. These persons often go unidentified, but tend to be those key facilitators that have risen to a level that can control major aspects of a given criminal market transnationally. Some notable crime bosses have been detected in the region, but often avoid criminal prosecution due to their levels of sophistication, limited policing capacity and resources, and corruption. The wealth and power of these persons will frequently grow into legitimate business and enterprise, obscuring their criminal involvement.

Research suggests that a significant number of crime syndicates in the region will link back to both West and East Africa, as bases of operation, and then will link to the remaining countries in the region, creating a sub-Saharan criminal enterprise.



Transnational Syndicate Connectivity

Key Facilitators will regularly remain in place in many of these countries, while lower-level criminals get detected, arrested, and prosecuted in another. Key facilitators frequently link one gang or cell in one country to another gang or cell in another country, often while operating in a third-party country themselves, to avoid detection and prosecution. Key facilitators can be either local nationals or

foreign nationals, from within the region or from abroad. Key facilitators will link to local gangs, groups, or cells that carry out local street-level crimes, which generates illicit profit on their behalf, and if lower-level operators are removed, key facilitators are well positioned to recruit and replace them, or find new ways of carrying out their criminal enterprise. The subsequent networks of local gangs that link

country to country via key facilitators span the region and are known as criminal syndicates, which are suspected to be a growing issue across Southern Africa.

Regional syndicates comprise career criminals who are responsible for delivering a range of illicit goods and services to even the most remote or isolated rural or urban areas within the region.

Street gangs form aspects of these larger criminal networks and are active throughout the region. In some countries in Southern Africa, street gangs with an identifiable name or moniker will operate as criminal organizations, yet these gangs only remain partially involved in criminality overall, and do not represent clear or definable criminal elements. Any identified gangs or select gang members will only constitute one part of a larger crime syndicate, and do not form the syndicate as a whole. Often membership of these groups or gangs do not engage in criminal activities all together, but individual offenders will be part of a separate and wider-spread syndicate, which may include members of various other gangs, acting in concert, or may include persons from outside the gang environment. Criminal enterprises that involve gangs may even include persons that have never had any known gang affiliations at all.

The same syndicate may link multiple gangs at a higher-level, even when street-level rivalries exist. Overall, gang activity remains very fluid, and therefore targeting any specific gang is problematic and will have little effect on organized crime in its entirety.

The key facilitators who enable these local gangs are what bring various members together and are the source of illicit commodities and the core aspect of complex syndicate activity. As a result, any given syndicate will likely continue to operate even when any one gang member is removed through incarceration, when the leader is targeted, or even if an entire gang is dismantled.

Most criminal elements found to be operating in the region as described will link via key facilitators to larger international criminal organizations.

Analysis shows that individual gang members fit within larger international criminal organizations, which are typically thought of as cohesive systems, with clear and established hierarchies and membership, especially in their countries of origin. Yet more and more these groups prove to be vast transnational networks

of associates, reshaping to exploit criminal opportunity as it arises, with little clear line to the central authority and control.

As a result, further away from the core criminal element, often found in Asia, Europe, or the Americas, the less obvious it is that these criminal organizations are at the top organizing criminal activities elsewhere, including Southern Africa.

Away from the core, any given local network linked to these groups will look more disconnected, or disjointed or fractured, but are in fact linked through complex and ever changing systems of associates and key facilitators. Less cohesive networks will link higher-level international criminal organizations into the Southern African region, linking into almost every major city across southern Africa. It is thus rare to find obvious signs that various international criminal groups are operating on the ground in Southern Africa, despite associated individuals being detected, modus operandi being detected, and criminal market necessity suggesting that they are. Their presence is often indicated only through the various illicit commodities and services being provided that are known to be controlled by many known international criminal organizations.

Instead of direct and identifiable associates of core groups being found operating in the region, there are often deputations, coordinated through regional key facilitators, which then link to local gangs or cells in order to carry out street-level criminality. This dynamic creates an even greater buffer between those directly involved in criminality and those transnational elements coordinating ongoing criminality throughout the region. This is by design, and is a criminal tactic to stay operating and ahead of law enforcement. Connections between local syndicates and foreign-based persons facilitate the importation of various illicit commodities onto the continent and into the region and assist with the export of locally obtained or produced illicit commodities, such as wildlife crime products or cannabis.

The linkages between local gangs and noted international criminal elements via key facilitators is therefore highly likely to be ongoing in the region, which ensures the supply lines that underpin various criminal markets are in place, not just to those countries with major ports, but throughout the region.

Characteristically in the region, key facilitators, working across an array of criminal markets, go undetected, and often remain protected through corruption, which is another critical aspect of

organized crime structure and dynamics in the region.¹

Despite the many programs to root out corruption throughout the region, many countries are deeply affected by this issue, and it remains entrenched. Corruption is driven by poverty combined with fragile public institutions.

International Criminal Organizations

Analysis suggests that many international criminal organizations operate in the region, but it is often not clear how and to what extent they are present or function.

Operating as outlined above, the clear evidence of international criminal organizations being active in Southern Africa is difficult to measure, yet various cases suggest that international criminal organizations have networks that reach into Africa directly, where there is extensive illicit profit to be made.

Law enforcement in the region only partly support each other in the targeting of transnational group structures beyond respective borders and the state-level, leaving higher-level criminal structures operating and largely undetected.

Despite the limited reporting however, it is still suspected that every country in the region is affected by larger international networks, anywhere there is detected illicit goods or commodities dependent on a global supply chain (such as cocaine or heroin).

Analysis suggests that local and detectable gangs and cells generate profit for regional syndicates, with illicit profits eventually working their way to a variety of international criminal organizations worldwide.

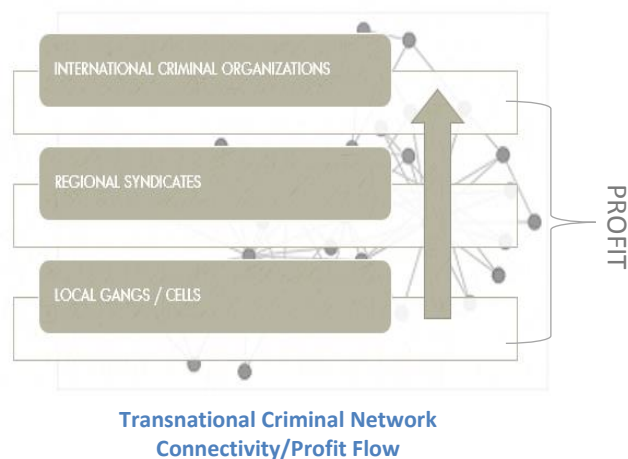
Indicators suggest that influential international criminal organizations operating on a global scale are directing criminal market activities throughout the region. It is widely suspected that various groups facilitate supply of illicit goods and services and many of them are believed to be active in most countries in Southern Africa in some form.

Notable international criminal organizations and elements suspected to be operating in and link through criminal associations to Southern Africa are groups based in North and South America, Eastern and Western Europe, West Africa, and Asia.

All of the criminal markets undertaken by crime syndicates link to these elements and link the region together in complex ways, yet different

organizations are present in and across the region to different extents.

First, it is widely suspected that organized crime in the region typically extends on to Asia significantly. It is suspected that this criminal connectivity to Asia is a result of more overall legitimate economic activity taking place, combined with increased trade and finance, in which illicit enterprise is intentionally concealed within.



Asian organized crime groups are suspected to be operating in most of the region with most countries in the region having reported some level of Asian organized crime involvement in a range of criminal enterprises. Wildlife parts, synthetic drugs, human beings, and other contraband are all suspected to be trafficked heavily between the region and Asia. Based on this connectivity, it is highly likely that Asian organized crime elements in some form are present and operating in the region. Various Asian criminal organizations have been detected throughout the region, noting specifically Triad groups.

Next to Asian organized crime syndicates, specific cases highlight several other criminal networks also operating in the region. The next most common international criminal element active in the region are Western African crime syndicates. Often Western African crime syndicates will be linked to Central African nationality diaspora in countries across Southern Africa.

In addition, other detected groups have been traditional organized crime, and it has been noted they are active in money laundering throughout the region. Cases highlight alleged Italian criminal elements in the past being linked to and active in the region, and have been noted to be criminally active in money laundering with links to corruption.²

Past cases also show Eastern European criminal organizations, linking back to various countries in Eastern Europe. These groups have been detected throughout the region and engaged in a range of criminal market activities. Often the detection of Eastern European organized crime in either region comes specifically from other countries' reporting from outside the region.

Finally, Central and Southern African criminal organization connections have been detected within the region, with direct links between select Latin American countries and various countries in Southern Africa. Often these links facilitate drug trafficking, but other criminality has also been detected amongst these groups. Often linked more closely along linguistic lines, South and Central American criminal elements links to almost every country in the region.

Representatives of these larger criminal elements are on the ground to ensure illicit profits are channeled back to the core criminal element. Of the activities that have been linked or traced to larger international criminal elements, it is believed that associates who are found in the region are mostly active in collecting and then laundering the proceeds of crime, in order to eventually send those proceeds offshore. Criminality will be carried out in every country and then illicit profits will be moved to various jurisdictions either within the region or offshore via select financial services sectors in select countries with more sophisticated banking infrastructure.

Past cases show those persons connected to notable international criminal organizations, were found to be moving significant volumes of money, yet direct links to any predicate offences could not be determined, making any enforcement efforts difficult.

These representatives of international criminal organizations will often be few, mostly working with local gangs.

Each country in the region offers a unique opportunity for syndicates to exploit various criminal markets in one location, moving illicit goods to another, and then financing it all from yet another jurisdiction. It is highly likely that major criminal organizations, with international links, will arrange for transatlantic or Indian oceanic supply of illicit goods, relying on a range of transport and smuggling techniques, via land, air, and sea, and using both commercial or charter vessels.

Different pieces of the criminal supply chain or illicit commodity will rarely be detected in any

one country in its entirety. The different levels will be carried out by various groups from country to country, but often coordinated by a larger transnational criminal organization. Acting as the proxies to many of these larger criminal organizations is a number of gangs and local cells.

Analysis reveals specifically that the only identified named groups/gangs are found in a few select countries in the region, yet unnamed groups/gangs, often simply described as 'armed gangs', are found in most other countries across the region, suggesting that gang activity is a pervasive element of organized crime throughout the region.

Of the identified gangs operating in the region, these typically are comprised of either local groups or are groups formed out of the diaspora of other nationalities from within the region.

Trafficking and Illicit Markets

As has been noted, syndicates are active in a range of criminal markets in the region and are exploiting a variety of social and economic elements in jurisdictions across Southern Africa.

Socio-economic vulnerabilities generate significant illicit profit for all syndicates involved and the common criminal markets undertaken are generally those same illicit markets that fuel criminal enterprise all over the world, including financial crimes, the trafficking of drugs, wildlife commodities, and human beings, plus their involvement in the movement and trading of a range of stolen goods. These criminal markets are often linked together, and operate in concert with one another.

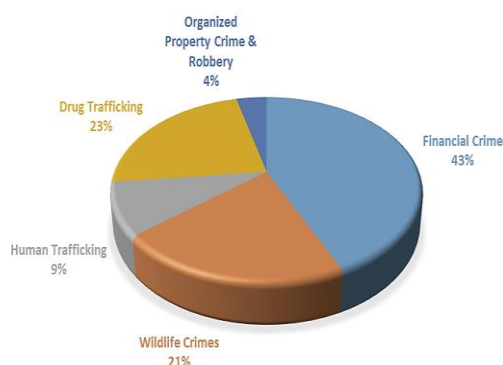
This section specifically highlights the serious and more significant organized criminal activities underway in the region. Each criminal market will be assessed separately and in detail in order to highlight what illegal commodities and other illicit goods or services are being trafficked in the region and how.

Even if criminal organizations are engaged in multiple markets at the same time, each criminal market will be assessed separately, in order to highlight the unique and distinct aspects of each. This section therefore highlights the many elements of each criminal market broken down into specific commodities where applicable, transportation routes, countries affected, modus operandi, etc.

The following analysis covers the most significant criminal markets currently detected

and ongoing in the region and lists them in order of prevalence and likely harm. Based on analysis of all available information:

- Financial crimes are an estimated 43% of all organized crimes detected in the region,
- Drug trafficking accounts for an estimated 23% of all organized crimes detected in the region,
- Wildlife crimes are an estimated 21% of all organized crimes detected in the region,
- Human trafficking is an estimated 9% of all organized crimes detected in the region, and
- Organized theft and robbery is an estimated 4% of all organized crimes detected in the region.



Estimates of crime distribution revealed by open source & police data– Southern Africa Region

Organized violence was a difficult crime to quantify as it covers a range of crime-types and is a systemic aspect of all criminal markets noted. The full extent of organized crime's involvement in violence for profit is currently unknown, but organized violence in the region consistently deploys violent tactics for financial gains and to further and control all criminal markets.

Financial Crimes

In terms of the number of incidents, rates of detection, number of persons involved, and also illicit profits being generated, financial crime in the Southern African region is estimated to be the most prolific transnational crime occurring, accounting for almost half of all detected organized crime activities.

Every country throughout Southern Africa is experiencing fraud in one form or another and complex financial crime schemes are being perpetrated everywhere, generating enormous profits for syndicates. Various schemes are

being carried out across the public and private sectors, plus are victimizing communities and individuals throughout the region and beyond.

Criminals may capitalize on wealth made in one criminal market such as drug trafficking and then will grow into more sophisticated financial crime networks. Syndicates will seek to generate a higher profit from frauds or other financial crimes, and will grow from smaller groups or cells fixed to one local jurisdiction into larger transnational crime syndicates carrying out frauds and a range of financial crimes across borders, regions, and continents. Criminal organizations are exploiting the contrast between informal economies and sophisticated and developed complex financial infrastructure spread throughout the region. They are also taking advantage of technologies to exploit persons globally.

Furthermore, varying legislations and financial regulations create opportunity for an array of financial crimes. Subsequently, syndicates will operate from one jurisdiction with limited financial sector controls, and will perpetrate frauds, often enabled through cyber capacity, in other local, regional, or international jurisdictions, which drastically reduces the likelihood of arrest and prosecution. Criminals can operate anywhere there is an internet connection. Offenders have been found to be targeting those economic areas where there are larger profits to be exploited, but have been found to be operating from almost any country in the region.

Financial crimes or frauds link to illicit financial flows (capital flight), and as noted, often link with other criminal markets. Groups once involved in other criminal markets are moving towards fraud and other financial crime schemes, as they grow in their influence, control, wealth, and power. The growth in this crime area is an indicator to a growth in organized crime in general.

Analysis suggests that government elements have been tied to various frauds or financial crimes in the region, with illicit profits from these frauds tending to move to various offshore locations or other international destinations, such as Asia. The externalization of funds both from within the government and from the private sector is widely suspected, and maybe a major aspect of financial crimes in those countries where corruption is most prevalent.

Depending on the level of complexity of the fraud, schemes may also involve money-laundering patterns, yet the complexity of financial crimes often veils the origins of the

illicit gains naturally. Some proceeds have been laundered to varying degrees, but the financial crimes market is much wider than money laundering and includes complex frauds being carried out by all levels or types of criminal syndicates. Various criminals operating as part of smaller syndicates use anonymity as a means to stay undetected.

Banking infrastructure is inconsistent across the region, making bank frauds more prevalent in those jurisdictions with more sophisticated banking sectors, but all banks may become targets, regardless of the level of development or technological infrastructure in place. The schemes carried out against all banks are becoming more cyber-intensive, yet those banks without large technical infrastructure will be targeted by social engineering frauds or individual customers will be exploited directly through coercion, fraud, or false pretense. Every country, regardless of the nature and state of its banking sector, has experienced banking fraud in some way, whether it is identity theft to drain individual bank accounts, or more sophisticated mortgage or investments scams, to extract vast amounts of wealth directly from the institution. Other financial crimes relating to banking include the skimming or cloning of bank or credit cards, or the defrauding of other types of stored value cards for specific businesses, such as fuel cards, which are common in the region. The growing prevalence of card use, or the near reliance on stored value cards in some countries, holds enormous opportunities for criminal syndicates to conduct frauds or credit card skimming on a large scale across the region.

An array of other schemes have been detected across the region also, relating to mining fraud, various other email or phishing scams and schemes, or the targeting of the elderly and other vulnerable sectors of the population to name only a few. Mining scams are common in the region given the nature of a number of economies across Southern Africa. Natural resources are a major aspect of economies in Southern Africa and various stock exchanges that list mining ventures are vulnerable to false reporting of stakes or claims, leading to stock market manipulation frauds. As well, email or phishing scams and schemes beyond the targeting of banks are very common and are carried out by a number of different criminal networks, notably Western African syndicates that have been found to operate from Southern Africa. Various countries in the region have issued notices indicating that frauds are most acute in multiple jurisdictions, with frauds being carried out by a range of local or foreign nationals.

Analysis of financial crimes in the region suggests the scope and scale of each of these fraud types outlined. In order of magnitude, the largest fraud types are banking/financial fraud, commercial fraud, fraud against government, and then also frauds relating to theft as will be discussed in the following organized crime and robbery section. This criminal market is highly connected across the region and impacts the region as a whole. These sorts of crimes are only dependent on the criminal's own imagination, and so the types of schemes carried out across the region vary at any given moment, making the detection and investigation of such crimes difficult and complex. Typically, however, syndicates will exploit human vulnerabilities, luring persons into false relationships or pose as some elements of government or other authority in order to coerce people into paying illegitimate fees or fines.

Criminal syndicates active in fraud in the Southern African region are also victimizing persons all over the world. From the region, analysis shows those frauds perpetrated from within the region with international links routinely extend often on to the North America and to Europe most notably. The prevalence of cases reveals that targets of frauds are most often in those jurisdictions where there is wealth available for exploitation.

Drug Trafficking

Every country in the region is affected by the illicit drug trade and also aspects of the drug trade.

THE REGION IS EXPLOITED AS A KEY ROUTE GLOBALLY FOR TRANSSHIPMENT, GIVEN ITS GEOGRAPHIC CENTRALITY IN THE WORLD

Countries throughout the region are facing significant challenges related to an array of narcotics, and the region is emerging as a global hub for international drug smuggling, distribution, and trafficking. The geopolitical circumstance of the region, the links between the Western hemisphere and Asia, the way in which each country within the region links to the other, combined with porous borders, are all facilitating and driving the global trade in narcotics. Telecommunications and developing globalized transport and trade capabilities alongside various levels of financial infrastructures are enabling criminal syndicates

and attracting international criminal organizations to the region to operate and to launder the proceeds of their illicit drug operations.

Drugs and precursor chemicals are increasingly being transshipped in many countries in Southern Africa, according to analysis, enabling their flow to a number of other international markets, such as to the Americas, Europe, and Australia.

Drug trafficking organizations have now integrated the region into the global narcotics trade, involving Southern Africa as a key route for smuggling and distribution on a global scale.

Now drug producing countries in South America and Asia link to various consumer markets worldwide via Southern Africa and Syndicates, often coordinated by international drug trafficking organizations, have been found to be exploiting many social vulnerabilities in the region.

Groups are exploiting the marked growth in legitimate trade experienced throughout the region, hiding illicit drug commodities amongst the total volume of legal and legitimate goods and services being moved every day. Drug trafficking syndicates are opening front companies and laundering the proceeds of their criminal activities throughout the region, which has large informal cash-based economies bordering formal banking centers. This financial reality not only drives fraud and financial crimes, but is a prime opportunity to launder significant volumes of illicit proceeds derived from drug trafficking.

The region is exploited as a key route globally for transshipment, given its geographic centrality in the world, and this increase in illicit drug trading has brought a range of drug commodities to the region, which has also impacted on local drug abuse rates. The nature of this crime means that more drugs create more demand.

A range of drugs are smuggled into the region and these drugs are now serving a growing regional demand in most countries. Despite limited published numbers on the issue, police agencies throughout the region have highlighted that drug abuse rates appear to be on the rise due to increased exposure to a new range of drug commodities not previously available. Police report that they seem to be dealing with more cases overall, which involve a range of drug-types, and analysis by other international organizations supports this.

Currently there are very few distinct or clearly defined criminal organizations being detected in the region involved in or controlling drug trafficking, yet higher-level organizations are suspected, based on the types of drug commodities being detected on the streets. Only individual traffickers are being detected and sought by police, but the nationalities of almost every country in the region have been detected both locally and abroad in source countries for cocaine and heroin, indicating direct local connections to larger supply networks, linked to international cartels and other drug trafficking organizations.

Nationals from West Africa are routinely detected as being involved in the drug trade continentally, with noted links into the Southern region as well. From outside Africa also, nationals from South America with overt links to the illicit drug market there have been detected in the region, with persons having been linked to various places such as Brazil, Bolivia, and Peru have been specifically found operating in the region.

Various diaspora or displaced persons in the region are suspected to be facilitating the trafficking and cross-border trading of a number of narcotic-types, with various west and central African country nationals often operating as drivers or smugglers for Nigerian syndicates. Individuals from large refugee and illegal migration communities have been found to be susceptible to being recruited by syndicates, exploited as couriers, smugglers or traffickers, which suggest this trade is often linked to illegal migration issues and human trafficking.

Traffickers are bringing a range of drugs into the region, plus couriating out locally produced drugs to other global destinations such as Europe. There is a range of core smuggling and illicit transport routes involved in the narcotics trade in the region that have been detected by police. It is highly likely that drugs will be shipped from source countries to these countries first, or will likely end up in these jurisdictions for distribution to smaller crime syndicates or cells.

These drugs will then be transshipped further throughout the region, serving domestic markets, or other international markets. Traffickers are taking advantage of countries with weaker security and detection systems and protocols and also those countries that may be less obvious as source countries for particular narcotic-types.

Air transport is increasingly becoming a major smuggling method, using both commercial and

private air carriers alike. An increase in arrests at airports shows drug trafficking syndicates utilize major cities in Southern Africa, which have numerous international connecting flights. Many flights link source countries to the region often directly, noting direct flights from Brazil into various countries in the region, or flights to and from Asia. Also a range of narcotics are being smuggled via major sea ports. It should be noted that corruption is a core driver behind these smuggling routes, as key personnel at both air and sea ports are often susceptible to bribes or payoffs.

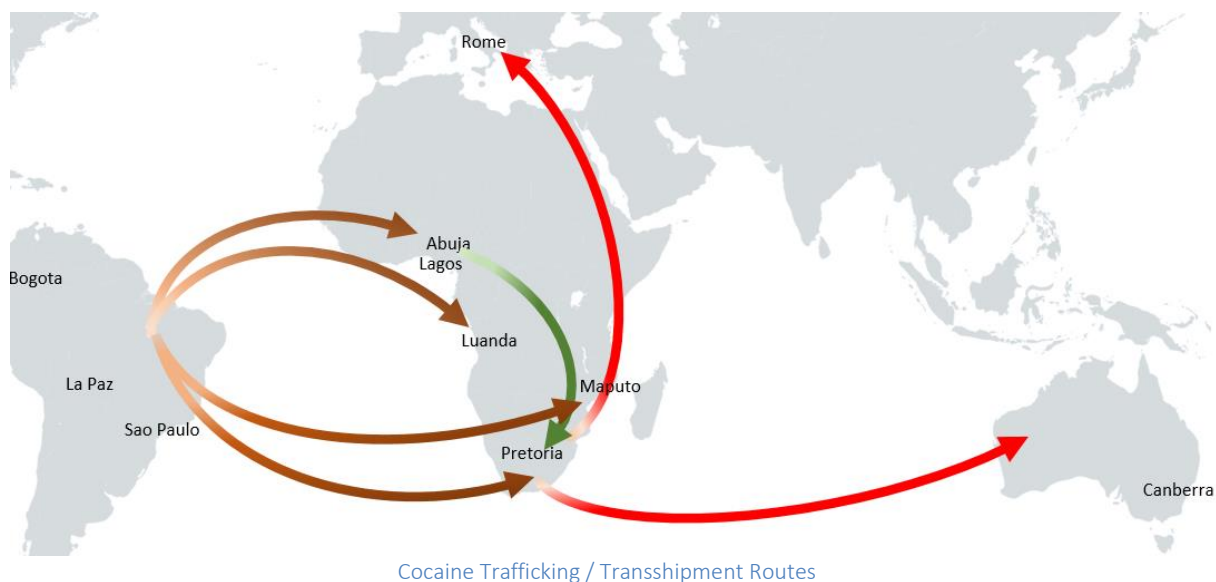
Traffickers are trading in a range of drug commodities, noting cocaine, cannabis, heroin, and precursor chemicals used for synthetic drug manufacturing. The most enforced upon drug in the region has long been cannabis, or 'dagga', but other global drug commodities are now being found throughout the region and are suspected to be on the rise. Analysis suggests that global commodities such as cocaine and heroin are growing throughout Southern Africa and data suggests that the most prevalent transnational drug commodity detected in the region is now cocaine, followed by cannabis. Both heroin and psychotropic drugs are not widely reported on, yet are being detected in

larger volumes in the region or at sea, and it is suspected the syndicates involved in this trade are going largely undetected. Each drug commodity however has unique aspects related to sourcing, transportation, smuggling, trafficking, and distribution, which are highlighted in the following sub-sections:

Cocaine

Cocaine is seemingly one of the fastest growing drug markets in the region, for both powder and crack cocaine. Sourced only from South America, only a finite number of smuggling routes can exist into Africa, and cocaine is mainly transited to the West coast of the continent first, with some other supply sometimes coming in from the east coast and other regions in Africa if first transshipped via the Middle East or East Africa.

South American nationals, as noted, have been detected in the region, as well, nationals of West African countries appear to be dominating the regional cocaine market. Nigerians appear to be linking to international source countries, and are able to supply local traffickers in the South for distribution on the streets.



Cocaine is often brought in via air and sea, and, as previously noted, involves criminal collusion at both air and sea ports. It is smuggled most frequently through international airports and it is also couriered via mail when and where postal services are available. Courier services have also been used. The movement of larger quantities of cocaine is done via commercial shipping, and maritime routes, which appears to be on the rise also, where various volumes of cocaine have been found to be concealed in

legitimate commercial containers. The main method of transport over land once it is on the continent is via container trucks, transport buses, taxis, or mini-bus, and to a lesser extent it has been found that cocaine traffickers use personal or rental vehicles to move smaller volumes if and when necessary.

Once cocaine has been supplied to street-level traffickers, the most common method of distribution on the streets to users is through

open markets with the use of drug orders over the phone or with the use of internet-based communications platforms. Drug traffickers will deliver various drugs to bars and nightclubs upon receiving an order in major cities across the region.

Heroin

Heroin is another major issue for the region. It is less often detected, when compared to cocaine and cannabis, but it is still suspected to be a growing concern for the region.

It is smuggled into Southern Africa predominately from Asia, yet is a drug that can be produced or grown almost anywhere. Afghanistan-originating heroin trafficked via Pakistan has been detected in the region. This heroin is most typically brought in via the East coast of the continent, and like cocaine, heroin is couriered mainly via the many international airports found throughout the region.

Traffickers continue to experiment with different transit routes, combining air, land, and sea smuggling. Places across the Middle East and south Asia are commonly used to transit heroin

to Southern Africa. Other supply routes exist also, involving entry via East African sea routes.

Analysis points towards major shipping routes in the Indian Ocean as key avenues of smuggling heroin also. Information suggests that various islands off the east coast of Africa form a major aspect of sea-based heroin importation onto the continent and onwards to Europe.³ Several multi-kilogram shipments of heroin have been seized on dhows at sea by patrolling navy vessels along the East coast. Heroin is often seized and destroyed during counter maritime piracy operations, and the connectivity to Southern African crime syndicates is widely suspected.

Once heroin has made it onto the continent, either into East or Southern Africa, it will be moved over land. Entry or smuggling has been noted through the main arterial road networks. Information suggests that there is no single syndicate controlling any route of the heroin trade overall and often the key facilitators of this trade are going undetected. That said, it is suspected there is strong ongoing coordination between Tanzanian, Nigerian, Chinese, Iranian, Pakistani and European criminal networks.



Heroin Trafficking / Transshipment Routes

Large volumes of heroin trafficked into Southern Africa is more often intended for export, heading primarily to European markets, likely accounting for the lower rates of detection. Yet some domestic consumption is being detected, which is suspected also to be on the rise. An increase in heroin use over time often grows the opiate and opioid markets, and can lead to the abuse of more harmful or potent opioids, often sourced from China. Also, an increase in heroin

abuse can often drive pharmaceutical crimes and abuse, as drug users will look to alternative opioids when direct heroin supply is not available. In general, an increase in heroin use is likely to lead to an increase in opiate and opioid abuse over time, with many synthetic opioids sourced from Asia already on the global market.

Cannabis

The region is not just an importer of global illicit commodities such as cocaine and heroin, but is also a major global producer of cannabis.

Cannabis has long been one of the most produced and consumed substances abused in Southern Africa, and large cultivation and production efforts can be found in most countries in the region.

Information suggests that various countries in the region remain principal producing countries, with illicit product from there being found throughout Southern Africa and beyond.⁴

There has been an increase in green house or cannabis grow laboratories/ operations, as well as open air or commercial farming-type operations being detected, resulting in the production of higher potency and larger volume of cannabis destined for European and other world markets. This has resulted in particular seed-types also that are in high demand around the world.

Cannabis remains a priority in terms of narcotics enforcement in the region, and syndicates involved in cannabis trafficking can often be found actively trafficking a range of other drug-types, known as poly-drug trafficking organizations. It is also typical to find cannabis used in illicit commodity exchange activity, where cannabis will be traded for other illicit commodities such as firearms or other drug-types such as cocaine.

Of note is the momentum in parts of the region to legalize or decriminalize cannabis. In some jurisdictions in the region this has already occurred, with select countries moving to decriminalize it and control production for medical purposes.⁵ This shift, as has been done in other jurisdictions around the world, often shifts the criminality from trafficking in an illicit good, to tax evasions, illicit and subpar manufacturing, or contraband smuggling schemes.

Mandrax

Beyond cocaine, heroin, and cannabis, there is a growing trend in precursor chemical importation and the abuse of various synthetic drugs across Southern Africa. The most notable of these is Methaqualone or Mandrax, referred to in other regions of the world as Quaaludes.

Open source suggests the region is one of the largest markets of Mandrax in the world, which

is a drug often abused in combination with cannabis, to produce a unique high.⁶

According to these same sources, Mandrax continues to enter the region from Asia via East African seaports. Countries report it has also been detected and seized at select airports throughout the region. Open sources highlight seizures of the powder version of the substance at land border crossings. This suggests that the drug enters the region from various other countries and then is transported over land destined for the consumer market in a number of countries throughout southern Africa.

Open sources and police statistics support that almost all of the world seizures of Mandrax, and the precursors required for the manufacturing of it, have been made in Southern Africa. A number of legitimate pharmaceutical companies or chemical import companies have been linked to this trade and it continues to grow in the region as an issue, as it gets mixed and abused with most other drug types.

A growing trend related to Mandrax also is it is now being detected in the region as being used as a constituent part of unique drug mixtures that are being trafficked across the region. One such mixture, noted to be produced and trafficked by local gangs in a number of countries in the region, is the mixture of anti-retroviral drugs, Mandrax, and rat poison to form the street drug 'Nyaope'. It is estimated that the complex trafficking and trade in this drug will continue to expand throughout the region as well as it is estimated that street gangs will continually derive other mixtures to meet street demands for new, yet increasingly harmful, substances.

Synthetics and Pharmaceuticals

Another notable synthetic drug beyond Mandrax being transshipped in the region, trafficked regionally, and also consumed in a number of countries is Ecstasy.

Originally developed as a pharmaceutical drug, Ecstasy is a psychoactive drug with stimulant and psychedelic effects that is primarily used as a recreational drug in many urban centers across Southern Africa. Information suggests limited manufacturing of this drug is occurring in the region, yet capacities exist, and will likely grow. For now, it has been found to be imported and entering the region mostly from European countries.

In line with other jurisdictions world-wide, another synthetic drug, methamphetamine, has also been detected in the region and it is

suspected to be on the rise. Methamphetamine over the last few years in the region has seemingly grown, with more clandestine laboratories being detected. Laboratories have been detected in select countries in the region and the chemicals required to manufacture Methamphetamine are readily available and are most often obtained through the diversion of legitimate sources or through theft. This drug is inexpensive and easy to manufacture, resulting in high profit margins for traffickers.

Research suggests other drug commodities detected beyond cocaine, cannabis, heroin, Mandrax, Ecstasy, and Methamphetamines, are ephedrine, other psychotropic drugs, and substances such as Khat or even improvised drugs. Countries have detected the transiting or trafficking of Ephedrine precursors destined for the Southern African market, suggesting manufacturing is occurring there.

Also, pharmaceutical crimes such as the rerouting and abuse of legal or prescription drugs or the counterfeiting of pharmaceuticals are a growing concern in the Southern African region. Although not illicit themselves, a range of pharmaceutical drugs are bought, sold, diverted, trafficked, and manufactured in the region, causing harm both to the economies of the region and also to public health. This aspect of the drug trade is largely unreported in the region yet is a growing concern.

Wildlife Crimes

Wildlife crimes are a priority for most countries in the Southern African region, as these crimes pose great risk to various species and the various ecosystems in the region.

Poaching is having a severe impact not just on the environment, but also on development efforts and the economy. Wildlife crimes continue across the region, with reported incidents occurring almost every month and some jurisdictions reporting more routine occurrences. These crimes yield large profits for the region's crime syndicates, and are typically transnational. These types of crimes link most countries in the region together, and the region to the world.

Wildlife crimes cover a wide variety of individual offences, yet most acute is the poaching of many animal species that exist in the Southern African region. Systemic poaching of rhinos for their horns and elephants for their ivory tusks and hides are most notable, yet poachers and poaching syndicates also target a number of other species. Pangolins are poached for their unique scales, hippos for their tusks, lions for

the paws, plus a host of other game are poached for their wild meat, bones, and hides. These crimes even extend offshore, with the illegal cultivation of abalone and also systemic illegal fishing, depleting ocean stocks and harming the ocean's ecologies as well.

Research suggests that some targeted species such as the rhino and the spotted wild dog are now endangered, with increased risk of extinction due to the volume of organized crime activity targeting them. However, important to note regarding poaching is the volume of poaching incidents that are of animals other than the high profile species such as rhino and elephant. Although statistics on this issue beyond these animals are often not available, given underreporting and lower rates of detection, both open source reporting and police cases show that poachers may target any animal of opportunity, supplying a region-wide trade in illicit meat and other animal parts. Poaching and livestock theft work in concert, and supply illicit meats to places with civil unrest and limited rule of law. Syndicates will source any and all animals from across the region given an opportunity.

Analysis of open source information suggests that the poaching activity has been detected in every country in the region, and is suspected to be ongoing across the region. Lower rates of activity when compared with the other countries were noted for some countries, yet lower rates of detection are suspected to be the result of either lower rates of detected incidents and in some other jurisdictions or more robust enforcement efforts.

The connectivity of countries in the region in relation to this criminal market is complex and is largely based on the nature of existing rural crime networks, based on individual connections, and based on criminal opportunity. The region is intricately linked together, with most countries showing some activity or connectivity to one another with regard to this crime area. Analysis suggests the cross border or transnational nature of this crime is complex yet there have been some major routes detected in the region. The most distinct cross-border activities detected relating to poaching activities are cross-border. The nature of these crimes has poachers actually conduct cross border incursions, poaching animals in other countries and bringing them back across the border for wholesale.

Also, both open source and policing information suggests that the Zambezi valley is a major area of concern, and is likely most prevalent as a wildlife crime region. This estimate is despite

lower rates, which is most likely due to lack of formalized reporting.⁷

And finally, this crime has significant international connectivity, with some crimes being found to connect between the region and Asia. The aim of crime syndicates is to get the various products to Asian markets specifically for rhino horn, noting China, Vietnam, and Thailand. Also, elephant ivory has been found to be moved to a range of other international jurisdictions for resale as a luxury item. It is more common to get products to East coast countries first, before going onward to Asia.

All countries form some aspect of the trade in wildlife, and syndicates are exploiting criminal opportunities wherever there are populations of any of the animal species in demand. Different countries will serve as supply countries in the region, with others being used as either transshipment countries or points of embarkation for the various illicit goods going abroad. Cross border activity occurs during the actual committal of the offence, where offenders/poachers will conduct incursion from one country into the next as noted, to exploit the various jurisdictional boundaries to elude law enforcement detection or interdiction.

An important aspect of this market is the regional movement of various illicit animal commodities prior to being transshipped to other international markets: syndicates will move a given commodity from any jurisdiction that is known to have it, to another jurisdiction without it, which decreases the likelihood of detection. Various transport methods are used, noting both sea and air. Some larger volumes of various commodities will be moved over land borders, but often commodities will be smuggled by air, using a range of concealment methods.

Various commodities may be turned into other commercial products to hide the true commodity being trafficked. Methods of concealment may involve the manufacturing of jewelry or small souvenirs, the making of other trinkets, or the distribution of the product amongst several curious/smugglers.

The commodities may be cleared at customs as other commercial goods, such as cement as indicated through the case study.

Measurement of the most poached species is difficult to quantify, as it can be counted by incident, per animal, or the weight of the final illicit product procured.

Also, rates of detection are low, as many cases may be unknown to authorities, unless the

poaching has targeted controlled game, and only in certain jurisdictions, as some animals may disappear as a result of nature predators. Yet, the data available suggests that the most prevalent animal commodity being covered in the open source, suggesting a higher rate of incident, is the rhino, for its horn, which is fetching up to and beyond an estimated USD 20,000 per horn in Asian markets.

In contrast, however, other approximations suggest that the most poached animal, and the one that is on the rise, is the elephant, when measured by total volumes or weights of the final illicit product. It is suspected that in many jurisdictions there has been an increase in elephant poaching, citing that there may be more opportunity for the trade in ivory over rhino horn, given current enforcement strategies and also the prevalence of the animal in the wild.

Although these two commodities are getting the most attention by authorities, many other animals are also being poached in significant volumes. All animal commodities have been detected across the region, such as abalone smuggling, suspected to be serving Asian demand.⁸

***IMPORTANT TO NOTE REGARDING
POACHING IS THE VOLUME OF
POACHING INCIDENTS OF ANIMALS
OTHER THAN THE HIGH PROFILE
SPECIES SUCH AS RHINO AND
ELEPHANT.***

In addition, lions and leopards are also being targeted, either through poaching or in some cases are being taken alive. Open source information has found that there has been ongoing movement of live species of a range of animals from country to country, even noting live gorillas imported into the southern region. The systemic poaching or live capture for trafficking of all wild game is ongoing and fueling local and regional demand for meat or other illicit purposes.

Where rhino is destined principally for Asia for use in tradition medicines, elephant ivory is more a luxury product trafficked globally.

Although various animal commodities may not be targeted by the same syndicates, information suggests that wildlife crimes can be linked to a range of other criminal markets. Syndicates or

cells that are involved in poaching will also seek out crimes of opportunity and are often linked to stock theft and other rural criminality, such as other theft-types, even of the theft of non-ferrous metals or vehicles (to be covered in the following organized theft and robbery section), sometimes noted to be going to the same buyers.

A number of nationalities are being detected as involved in wildlife crime, suggesting connectivity to those countries, either for recumbent of smugglers, as a source for illicit commodities, or as a base of operating. Various nationalities of those countries in the region were detected as offenders involved in wildlife crime globally, and also within the region there were many foreign nationals detected in the region of countries that lay outside the region.

According to open sources there are an array of methods of poaching, concealment, and transportation of various animal products being carried out in the region. Animals may be targeted by poachers using homemade guns, wire traps, and poisoning (noting cyanide in some cases of elephant poaching in the region). Although this trade is not necessarily on the rise, it is largely suspected to be ongoing, and poses a threat to the region. It continues to be a market where many criminals can easily partake and will also tend toward violence given the systemic use of firearms.

Human Trafficking

Human trafficking, or trafficking in persons, is a global crime in which men, women and children are bought and sold as commodities and exploited for a range of purposes. This crime-type is more prevalent in areas where persons are susceptible to schemes devised around economic opportunity where limited job prospects are available, which is prevalent in the Southern African region. The issue of human trafficking in the region is of significant concern since there are many vulnerable populations living proximal to major advanced economic centers and wealth, which may be enticing for those seeking greater financial opportunity.

The exploitation of persons for sexual purposes and labor is estimated to be ongoing in Southern Africa, but it remains largely under-detected and under-reported. The detection of syndicates across international boundaries is increasingly difficult for law enforcement, with identification rarely going beyond the victims at the local level. The key facilitators of this criminal activity routinely remain removed from any direct and detectable involvement in the

offence, obscuring their participation to law enforcement. The nature of this criminality, almost inevitably implies higher level arrangements being made. This criminality requires complex logistics, recruitment efforts, trafficking routes, and reliable systems to launder the proceeds, and all of these aspects need to be detected and then targeted to have an effect on the overall syndicate's activities.

ADDING COMPLEXITY TO THIS CRIME IN THE REGION IS THE PROPENSITY OF LAW ENFORCEMENT TO FOCUS ON ILLEGAL MIGRATION AND NOT INVESTIGATE FURTHER TO UNCOVER POTENTIAL HUMAN TRAFFICKING ACTIVITY.

Human trafficking is generally a difficult crime-type to detect and investigate given the psychological effects it has on victims, where they may not completely understand that they have been exploited or victimized. It is a crime where victims are either deceived or forced against their will into situations where they are exploited for sexual purposes, for labor, or for the removal of organs, but may be unaware of the complex criminal nature of their situation. Exploitation is hard to prove given that the victims may not realize or understand the circumstances in which they find themselves. In some cases, the victims may even perceive close bonds with those who are exploiting them.

The most common human trafficking cases investigated by law enforcement in the region target sexual exploitation given the links to other criminality and the nature of victimization. However, an analysis of all information sources suggests that labor exploitation is the primary purpose for exploitation throughout the region, yet it is seemingly going largely underreported. Labor exploitation is suspected on farms, in manufacturing facilities, and most significantly in domestic work. Domestic labor in the region is largely an informal industry that employs illegal immigrants who move throughout the region in search of work. These persons are highly vulnerable to exploitation given their illegal status in most host countries. As such, these persons are unlikely to report victimization despite these types of cases at times including violence to maintain the servitude.

As well, human trafficking has been found to link Southern Africa with many international jurisdictions, noting the UK, China, Bangladesh, and other jurisdictions as far away as Haiti.

Criminals from the region have been noted in human trafficking rings specifically tied to Bangladesh.



Regional and International Human Trafficking Routes

Open source information suggests that select countries in Southern Africa are sources for many human trafficking activities.⁹ Persons are found to be trafficked from the region to the Middle East.

Often women are lured with expectations of gaining employment as domestic help. Even if they first obtain legitimate employment and travel officially, once they reach the destination, they may be later exploited by syndicates if their contracts or terms of employment are set to expire.

Recruitment of trafficked persons can take many forms. Women who have been found to be past victims themselves, will be used in the recruitment process for the purposes of sexual exploitation. Additionally, many families in the most overtly poverty-stricken areas have been found to sell family members into the trade as a source of income. Also, within the region, religious-based organizations or specific churches have been found to be used as fronts for human trafficking operations.

All countries in the Southern African region are affected by this criminal activity, with some countries forming different aspects of the trade in total. Although most countries are in some way identified as source, transit, and/or destination countries, specific dynamics are present for each distinct jurisdiction. Some countries in the region have larger populations

of vulnerable persons, while some offer better transit routes. Other countries are final destination markets for a range of exploitation purposes.

Predominant source-countries involved in this trade for the Southern African region are countries outside the region however, notably Nigeria and Ethiopia. For the continent, people from these two jurisdictions are consistently trafficked and have been detected as victims of human trafficking throughout Southern Africa. In the Southern African region, it is suspected that children are almost as frequently reported as victims of trafficking as women, though men are routinely victimized as well.

Human trafficking in the region is criminally facilitated either at the regional level or can be part of larger international criminal organizations. Asian and a range of Eastern European criminal elements have also been found to be active in trafficking persons in the region.¹⁰

Throughout the region, the detected associates of many of these and other crime syndicates involved in this criminality have been noted for high-levels of violence, often involved in murder and a range of other gender and sexually-based violent crimes such as rape. In many major cases in the region, human trafficking for the purposes of sexual exploitation has been linked to a range of other crimes, noting drug

trafficking and various extortion schemes specifically.

Syndicates have moved beyond coercion to lure victims, escalating to organized kidnappings. This criminal market remains active in the region and is posing particular harm to communities in almost every country. Beyond the individual victimizations, this crime-type has indirect impact on public health through spread of communicable disease. It also has an impact on the economy, disrupting the real value for labor, with illicit business undercutting legitimate industries by saving costs on labor.

Adding complexity to this crime in the region is the propensity of law enforcement to focus on illegal migration. Given the extent of largely porous borders, and the mass movement of persons from country to country, illegal migration is a major issue for law enforcement in the region, although this criminality is not always linked to human trafficking. Human smuggling is indeed a criminal issue of note in the region, but it must be dealt with in a separate and distinct manner, in order to address human trafficking specifically as a violent and pervasive crime, centered on exploitation. Human smuggling is linked to human trafficking only when it leads to or includes elements of manipulation and abuse. A major challenge in the region is that these issues are typically treated as the same, and exploitation often gets overlooked in favor of illegal migration issues, sometimes leading to re-victimization of those who have been trafficked across borders. Often police agencies will not investigate further to uncover potential human trafficking activity. Illegal migrants are often being targeted by syndicates for exploitation because of their illegal status in host countries. Persons within migrant communities or diaspora are more vulnerable to exploitation, yet often law enforcement will target these persons on immigration charges instead of discerning if exploitation is occurring. The issue of illegal migration, which often involves human smugglers, obscures the issue of human trafficking.

Organized Theft and Robbery

Theft of a wide variety of property is an ongoing crime issue in the region. Syndicates are routinely involved in cross-border theft rings that target select high-value items for smuggling, trafficking, and resale. Syndicates are targeting cash, and are engaged in robberies, hijackings, home invasions, and break-and-enters to obtain a range of items for resale in the illicit market. Vehicles and livestock are significant

commodities targeted in the region. Many of these crimes are linked to organized crime activity and other criminal markets, such as drug and firearms trafficking, or wildlife crime.

***THEFT OF A RANGE OF WORKS OF ART
AND CULTURAL HERITAGE ARTIFACTS
GENERATES PROFIT DIRECTLY AND
ALSO DRIVES OTHER CRIMINALITY,
OFTEN BEING FOUND TO BE USED IN
MONEY LAUNDERING ACTIVITIES.***

Theft is a driver of organized crime, as theft will generate initial capital to purchase other more high-value illicit products such as drugs or weapons. Firearms are a primary tool used by criminals to carry out the majority of thefts detected and so violence is a systemic aspect of this criminal market. Organized theft is ongoing, and is threatening the public directly, as well it draws significantly on police resources. The major types of theft ongoing in the region most notably are of vehicles, works of art and other cultural heritage articles, cash, non-ferrous metals, and livestock, which will be highlighted below.

According to information, the most prevalent and transnational theft-schemes in Southern Africa pertain to motor vehicle crimes.

Syndicates are responsible for the movement and resale of large volumes of stolen motor vehicles throughout the region, which often link to the rest of the continent and the world. Vehicle crime in the region is a major concern for law enforcement, as syndicates are motivated by high profits for all involved, which is continuing to fuel the trade.

Within those syndicates detected to date found stealing and smuggling vehicles, associates are often different nationalities, linking various criminal cells together cross borders, forming regional networks. Criminals exploit various land routes across the region and manipulate the legitimate economy to hide these crimes. The flow of proceeds derived from the sale of stolen vehicles is often complex and hidden within routine legitimate transactions. It is estimated that vehicle crime is on the rise in the region, enabled by technological innovations, which enables higher volumes of vehicles to be stolen and enables them to be moved across borders easier using forged or altered documents. The vast transport and

communications networks found across the region enable a large scope of operations for syndicates, and decrease the likelihood of detection.

All information assessed suggests that most often vehicles are either stolen in Southern Africa for resale elsewhere in the world, or high-end cars and Sports Utility Vehicles (SUVs) are stolen in other regions of the world, such as Europe, and transited to Southern Africa to be sold in the illicit or informal markets present in the region.

A wide range of vehicle-types are stolen from homes, businesses, and parking lots. Criminals will tamper with security systems or will use immobilization and jamming devices. They will target homes or businesses and conduct break and enters to steal keys to counter any anti-theft device for a range of high-end vehicle types.

Syndicates will also use more direct methods (violence, threats, and intimidation) to obtain vehicles in major urban areas through vehicle hijackings in some jurisdictions.

Select syndicates have been found to obtain formalized customer orders for specific vehicle makes and models in high demand, filling those orders specifically through targeted theft, at times targeting dealerships or bonded warehouses. Smaller cars are targeted for easy resale, stripping of parts, and have been found to be used in the commission of other crimes, such as other types of robbery. Larger and more valuable vehicles such as SUVs are targeted for transnational trafficking and resale. All-terrain vehicles stolen from Southern Africa are suspected to be moved towards Central Africa. There is a high possibility that these vehicles are finally disposed of in conflict areas.

Vehicle crimes also involve frauds and the use of forged documentation. The region continues to experience motor vehicle insurance fraud. This involves vehicle owners attempting to dispose of their vehicles via criminal syndicate associates, thus potentially recouping costs twice. Owners have been found to make a theft report, with an aim of getting double the payment, once from the fraudulent sale and a second time from the insurance rebate. Genuine buyers of vehicles via internet sites have also been defrauded by criminals in a number of schemes. Imported vehicles have been diverted to other destinations following internet scams. The financial transactions to sellers have been rerouted or manipulated by criminals for deposit into other third party or anonymous accounts. Illegitimate websites have been found where genuine buyers after

dealing with fake companies will pay online for non-existent vehicles. Syndicates have also been found to use internet auction sites to sell stolen and cloned vehicles, false identification documents, license plates, or other parts.

The cloned vehicles often go undetected by consumers as criminals are counterfeiting the Vehicle Identification Numbers (VIN), stickers, labels, and title deeds from legally owned and documented vehicles. Syndicates will steal a vehicle similar to a legal one and replace the stolen vehicle's VIN with the counterfeit one.

Criminals have also been found to be forging ownership documents for the cloned vehicle or will obtain the ownership documentation under false pretenses, such as identity theft. They utter the forged documents to sell the stolen vehicle to a buyer at a price below market value. The cloned vehicles may only be discovered through physical inspections by experienced auto theft investigators.

Another major theft issue beyond motor vehicle theft, is syndicate involvement in the theft of non-ferrous metals such as copper wire. With an increased demand and high market value for various metals globally, criminals have targeted various metals from homes, businesses, construction sites, power lines and stations, or various public spaces, for collection and then resale.

Criminals have also been known to even target bronze or other metal statues or other public art installations. Criminals will steal these various metals and then sell to an illicit wholesale buyer, who will transition these stolen metals into the legitimate metals industry often through semi-legitimate businesses. This trade, although seemingly perpetrated by low-level thieves, is dominated by criminal syndicates controlling a large aspect of the metals industry as a whole. Often buyers of illicit metals will be involved in other criminal markets, and will at times be financiers for other criminality.

Another major type of theft involving organized crime in the region is the theft of works of art and other cultural heritage artifacts. Art crime in the region has included the physical theft of various high-value items, obtaining art or other items through fraud, and raiding or robbery of various cultural sites and museums. Art and cultural artifacts may be traded for a range of other illicit commodities, such as firearms or drugs. Theft of a range of works of art and cultural heritage artifacts generates profit directly and also drives other criminality, often being found to be used in money laundering activities. These types of crimes are often used

to launder proceeds derived from all other criminal markets and may retain value over time for criminal syndicates. Stolen art is at times linked to international organized crime groups and is a significant transnational criminal enterprise, which links the region to the rest of the world.

Despite several select examples, it is estimated that this theft-type is largely going underreported. Art crime has been reported across the Southern African region, but detection is far below what it should be. Many artifacts have been trafficked from the region and have been detected in other international jurisdictions outside Africa. Most cases going unsolved. Criminals are aware of the value of sculptures, ceramics, cultural objects, literature, and paintings. The lack of attention to date has created an illicit market opportunity for criminals, who may look at this type of crime as high profit with low risk of detection or prosecution.

Along with stolen vehicles, metals, and works of art, other syndicates and various organized crime elements, including lower level gangs, have been found to be active in cash-in-transit robberies or other types of crimes that target cash directly from ATMs or banks. The targeting of cash itself is a growing criminal activity linked to organized crime in the region. Local and regional gangs and cells have been engaged in cash-in-transit heists, often with deadly effect. Also, these same groups are engaged in ATM bombings, using high explosives to either open an ATM or to remove it from its location for the cash to be extracted in a separate location. These incidents are occurring across the region. The major harm stemming from this criminal market, aside from the loss of property, is systemic violence. Syndicates across the region are using violence to obtain a range of goods. Violence is a common tactic in robberies and home invasions. Armed groups or gangs will carry out crimes, with the use of firearms, and will target anything of value.

Finally, another major type of theft occurring across the region, in rural areas specifically, is stock theft. Stock theft is a major criminal market in the Southern African region. The significance of crimes committed in the rural areas across the region is important to understand as they generate huge profits for syndicates and commonly are transnational, as they often occur near borders. Livestock theft, a crime targeting economic advantaged areas in many countries, the theft of beef cattle, sheep, goats or big game (for products other than those being systemically poached for special items like horns or ivory), is the major criminality

occurring outside urban centers. This criminality has a significant impact on the livelihood and development of many rural areas.

Regional syndicates and other ad hoc networks are involved in this criminal market and there are immense opportunities for cash-based profits to be made. Often this crime has a cross border aspect, with syndicates or cells crossing national boundaries to steal livestock from border areas of other countries, to be sold in their own jurisdiction. Significant volumes of cattle or other livestock are stolen at any one time. Syndicates will employ fraudulent or false documentation for the livestock, showing higher levels of sophistication. This is a major criminal market that occurs in rural areas of almost every country in the region and is often linked to low-level corruption. Across the region, as a rural crime, there are many convergences between this crime and other wildlife crimes, particularly poaching.¹¹

In general, theft or aggravated theft is a common transnational offence-type reported to INTERPOL. Commonly, theft was often listed as an offence-type along with fugitives sought for war crimes, indicating war profiteering. Syndicates are also routinely involved in frauds, and forgeries, along with theft, indicating an interconnection between these two criminal markets.

Countries in the region are far more interconnected regarding theft networks than for any other criminal market detected. Almost every country is linked to every other country in the region when it comes to the associations linking theft cases, yet information suggests that the areas with civil unrest are the primary destinations or hubs of organized theft, and remain the most connected areas to the rest of the continent regarding this criminal market.

Organized Violence

Another notable crime issue affecting the region is systemic or organized violence. Violence has been noted as an aspect of many of the previously assessed criminal markets, noting human trafficking and theft and robbery, but there are other emerging crime areas where violence is the primary aspect of the criminality. This violence can take on various proportions, including occult killings, humans as a commodity beyond human trafficking, organized murders and hit men for hire, and even aspects of terrorism and/or war profiteering. This criminality, may also be, as has been discussed, linked to war crimes, genocide or crimes against humanity, with fugitives being detected throughout the region.

Although the extent to which organized crime is involved in or in control of these violent activities is largely unknown, some level of crime syndicate involvement and network activity is suspected. Syndicates or networks are likely given the need for logistics support to many of these activities and also the level of profits to be earned.

ANOTHER TREND IN THE REGION INVOLVES OCCULT ASPECTS TO SYSTEMATIC VIOLENCE

Noted all through Southern Africa, and often tied to gang activity, there is ongoing organized murder or hit men for hire/ targeted attacks on persons or groups. Although this is often organized with specific intent, such as control over a given criminal market or territory, these services can be used by businesses and the general public alike, where and if desired. When this activity is organized by transnational syndicates, the likelihood of detection and prosecution is lowered, give the anonymity provided by porous borders and the limited person connections between victim and offender. As one hit man can cross a border, conduct a murder for hire, and then return, there is low risk of detection, making it an option for syndicates to be involved for profit. Organized violence such as this and targeted killings have been used in most countries in the region for criminal gain and these crime-types are suspected to be used as an aspect of political action, with some political parties turning to and using various street gangs to carry out campaigns of violence against opposition parties or local populations.

Throughout the region, 'armed gangs' have been noted to be active in a range of crimes such as armed robberies, but also link to economically or socially incentivized campaigns of violence, which sometimes hides the true criminal intent. What may be seen as random acts of violence may be controlled or orchestrated for specific economic or political purposes. Although seemingly indiscriminate, such violence will likely have an underlying cause. Open source reporting highlights gangs reportedly been engaged in violence committed against local populations, disrupting mining and other economic activities there, indicating the violence is linked to economic activities.

Kidnap for ransom syndicates have also been detected in the region. Various countries have reported having syndicates involved in this criminality, with local gangs and regional

syndicates involved in targeting both affluent foreigners and locals alike for profit through ransom.¹² This is yet another criminal market that generates profits for local groups, gangs, or cells, and in many instances can be controlled by regional key facilitators. When larger transnational syndicates are involved, key facilitators may seek to use this type of criminality beyond direct profiteering, and use it as a tool to further or drive legitimate business ventures also through coercion.

This activity is often linked to syndicates or gangs engaged also in extortion, using a range of violence, threats, and intimidation.

Another trend in the region related to systemic violence is occult killings. Information highlights the targeting of persons for use in various types of ritual killings, involving such acts as bloodletting or the murder of persons for the belief that gold may be extracted from their heads.

The crimes are often committed in more rural or remote areas and committed by gangs or groups of persons. Countries also reports that various occult killings are becoming an issue there. The targeting of albinos, is yet another example of this type of violence, as they are kidnapped and harvested for their body parts for use in various ritual killings.

As various types of occult beliefs generate more widespread demand for violence with various ritualistic intents, there is the potential for criminal organizations to arrange for kidnapping or trading in persons for profit, meeting possible demand. It is currently unknown the extent to which any level of organization or syndication is active in this crime-area, but, regardless of the level of syndicate involvement in these types of crime, their violent nature makes them a priority for law enforcement and a serious crime issue for the Southern African region.

Finally, terrorism is also a violent act that falls into this crime area, given the use of violence for political purposes. There have been terror-related groups detected in the region in recent years, and some of these groups have been linked to criminality, mostly with the intent of terror financing. Terror-related groups have been noted to be active in fund-raising via bank frauds, hijacking trucks for the resale of various goods, and also trafficking in persons. Open source reporting suggest criminal acts conducted in the region may be funding terror activities. More recently however, the direct operations of terrorist groups in the region has extended beyond fundraising, and has expanded to include the recruitment of foreign terrorist fighters to send abroad to fight in places

such as Syria and Iraq. Some groups have also started to conduct acts of terror in the region, noting recent terror incidents in northern Mozambique.

Enabling Crimes and Criminal Convergences

Moving beyond the details of each distinct criminal market detected in the region, this subsequent section assesses the links between various organized criminal activities, and identifies 'enabling crimes' such as corruption, cyber-capacity, and firearms in the commission of various offences. An enabling crime is any crime that further empowers criminal organizations to grow and prosper.

Syndicates have been found to be active in various criminal markets at the same time (poly-criminality), and many enabling crimes are driving organized criminality further, generating even greater profits. Corruption for instance opens the public sector up to crime syndicates, which allows for syndicates to grow their ventures and influence. Organized theft may also generate revenue for local groups to purchase other high-value illicit commodities for resale as noted, supported through the use of firearms and intimidation.

Also, cybercrime greatly enhances the scope of any and all of the operations of any group, and firearms increase the level of violence used by groups to further their criminal objectives across all criminal markets. These types of crimes may vary from country to country, but are important to assess because they may be important areas for law enforcement to focus on and combat directly in order to prevent additional criminal elements from growing or from becoming more entrenched. The following enabling crimes are outlined below: cybercrime, corruption, and the trade and movement of small arms and light weapons.

Cybercrime

The modern world has redefined criminality, proliferating a range of crimes through digitization, allowing them to be committed anywhere by anyone. Cybercrime has become a major aspect of all criminality, everywhere in the world, and Southern Africa is no exception. Southern Africa is a region significantly affected by the proliferation of cyber tools, which are being used by criminal syndicates in almost every country across the region. Rates of detection are growing in all of Southern Africa and it is now an aspect of crime everywhere the internet or modern communications exists.

Cybercrimes are those crimes either directed at computers or other devices for the purpose of some criminal or illicit financial gain, or it is when computers are integral to the offence being committed. All information sources suggest that the most common types of cybercrime in the region involve hacking, online scams and fraud, identity theft, attacks on computer systems (noting those of banks and other financial institutions) and the trade and proliferation of various types of illegal or prohibited online content.

***CYBERCRIME SYNDICATES, MEANING
THOSE CRIMINAL ORGANIZATIONS
THAT USE A RANGE OF CYBER-TOOLS,
ARE OFTEN WELL-RUN
ORGANIZATIONS WHOSE OPERATIONS
MIRROR LEGITIMATE BUSINESSES***

Cybercrime is an issue that is impacting the region in many ways. The effect of cybercrime can be extreme on an individual level, but it also can have a far-reaching impact on the integrity and viability of financial markets and the economy. Cybercrime, especially in the Southern African region, can impact on development, and often allows syndicates to operate in almost complete anonymity, with impunity, operating from across borders to avoid detection and prosecution. Syndicates may be operating in one country or jurisdiction, yet victimizing persons, businesses, or governments in another. As most countries in the region are relying more and more on technology, the harm and rate of cyber criminality is suspected to grow and is expected to mature in the near- and long-term.

Cybercriminals in the region are more sophisticated criminals, using cyber-tools to facilitate their crimes, which require the deployment of significant amounts of time and money to execute complex attacks on businesses and individuals throughout the region. Cybercrime syndicates, meaning those criminal organizations that use a range of cyber-tools, are often well-run organizations whose operations mirror legitimate businesses, both in terms of upfront investment and innovation, with a defined organizational structure and pre-planned operations. Cyber-tools are used to support criminal syndicates through the proliferation of forged documents, the trafficking in stolen or counterfeit items, or to communicate and plan other sophisticated crimes, such as drug trafficking, extortions, or robberies. Cyber

capability can be leveraged in all of the outlined criminal market activities and profits are immense when cyber-tools are used. Groups at all levels, from the local to the international, are using cyber capabilities to execute frauds, stealing identities from anywhere in the world en masse, and various other cells or gangs are subsequently seeking to build their capacity to use cyber tools more and more. All of this complexity and sophistication poses a greater challenge to law enforcement.

Open source cases highlight the nature of detected cybercrime syndicates operating in the region. Cases involving Western African nationals operating from countries within the region are carrying out various fraudulent business practices or various email or phishing schemes that attempt to and often succeed in scamming thousands of victims around the world. West African transnational cybercrime syndicates have been involved in numerous financial fraud schemes that extended globally. Associates were found to be engaged in wire fraud, bank fraud, access device fraud, mail fraud, aggravated identity theft, theft of government funds, and money laundering. The activities of this group have largely been dismantled, but many similar organizations are suspected to be continuing throughout the region.

Cyber frauds and other criminality such as identity theft based in the region continues to be detected around the world, noting Europe and North America reporting cases that link back to Southern Africa.¹³

Although many countries report cybercrime to be on the rise, specific cases and details remain largely unknown because of the transnational nature of this crime and the complexity of cases. From the private sector however, data suggests that upwards of a million cyber-attacks take place every year in Southern Africa and banks are the primary targets by hackers with increasing frequency.¹⁴ All information taken together seems to suggest that to date, the majority of cyber-enabled crimes are frauds committed online, including most often credit or payment card skimming. Hacking of online payment systems and platforms is rarer, and more often online bank accounts or financial payments systems are accessed through email phishing efforts, where users will unknowingly give up their usernames and passwords.

The two predominate criminal markets that cybercrime facilitates, as noted, are financial crimes and theft, but cyber tools can be used to drive all crimes. Beyond frauds, cyber-tools have been used to trade in stolen vehicles or a

range of other stolen products, as outlined. Open sources suggest that illicit narcotics and legitimate drugs (pharmaceuticals) are being bought and sold online, noting the use of the dark web. Human trafficking also has been found to have a cyber-component in the region. Often recruitment of victims for domestic servitude will occur online, and also specifically sexual exploitation services will be advertised and negotiated on a range of online platforms. Again, firearms trafficking is similarly at times done online, noting the trade in some types of small arms through the dark or deep web. Furthermore, a range of other contraband or illicit items or services (noting hit men for hire) will be advertised and sold or arranged online.

Small Arms and Light Weapons

Firearms are not an entirely illicit commodity in the region, but firearms become illicit when regulatory protocols are circumvented and when weapons are traded and trafficked to or by criminal elements. The trafficking of weapons and small arms around the region is a significant criminal issue because it is a driver of organized crime that directly impacts on rates of violence. With an available supply of small arms and other light weapons, well-armed gangs and criminal organizations are better equipped to carry out campaigns of violence against local populations and are better able to exert control over local jurisdictions for criminal gain.

In the region, the trafficking of firearms is often linked back to countries with internal armed conflicts or post-conflict environments, where weapon imports were frequent yet often unregulated.

At the end of many of these armed conflicts, numerous firearms remained in the hands of various insurgent groups which often transformed into criminal elements. Groups active in these conflicts either got involved in criminal enterprises directly, or the weapons they once controlled were and are still being sold off and are now finding their way into the hands of criminals. These are the firearms that remain difficult to account for or quantify. It is estimated that most of the firearms used in the commission of offences in the region circulate haphazardly from one country to the next and remain in constant circulation, where replacement parts may be newly manufactured or improvised.

Beyond the diversion of weapons stockpiles from armed conflicts, it is also suspected that a large portion of illicit weapons are diverted from other legitimate sources. The flow of illicit

firearms in the region is exacerbated by lack of proper physical security and stockpile management controls, depending on the given country. Analysis suggests that the trade in small arms, especially those weapons found to have been used in the commission of various street-level crimes, is not conducted in larger volumes. Small arms are procured first officially, and then diverted. It is estimated that illicit small arms may be procured ad hoc, and for crimes of opportunity, with supplies predominantly stemming from theft and residential or commercial break-and-enters. Criminals also cross borders, borrow firearms from legitimate sources, and use them to commit an offence, only to return them later. This method is particularly common if syndicates have connections into legitimate supply of weapons.

***IT IS ALSO SUSPECTED BASED ON ALL
AVAILABLE INFORMATION ASSESSED
THAT ANOTHER MAJOR SOURCE FOR
TRAFFICKED FIREARMS IN THE REGION
ARE FROM LEGITIMATE SOURCES***

Legitimate arms sales have been noted across the region and it is suspected that a percentage of these arms are being diverted for illicit purposes. Various weapon-types are moved into various jurisdictions legally and then are trafficked onward to the rest of the region.

Estimates find that the major legitimate supply lines into the region, from which illicit flows can be inferred, may also be from various western arms producers. Open source databases on legitimate firearms trading suggest many weapons are legitimately imported legally plus some arms are manufactured within the region. When the legitimate arms trade is assessed, major supplies from the UK, the US, Germany, and Sweden into the region are detected. Also, atop this trade, select countries in the region are major focal points for firearms importation, in terms of volumes traded within the region, with the United States being a noted supplier.¹⁵

Legitimate and legal arms supply from Asia into the region is widely detected.¹⁶ These arms are suspected to then be trafficked out of those countries where they were legitimately imported into and then trafficked into the rest of the region, given the porous borders and corruption.¹⁷

All information suggests that weapons indeed get trafficked to local crime syndicates, to be

used to project force and power, plus they are trafficked by and for syndicates so they may protect against criminal rivals. The trade in firearms generates profit through coercion and extortion. Most firearms-related crimes in the region are committed using small arms that are available in the market and across the region.

The most common firearms that exchange hands have mainly been found to be hand guns and various automatic weapons which have been linked back to various European, American, and Asian manufacturers. Another method by which syndicates obtain illicit firearms is through straw purchasers in jurisdictions where the purchase of firearms, including hand guns, can be done legitimately. Persons with no criminal records, but who have connections into organized crime, will be used by gangs or groups to purchase weapons that will then be diverted into the illicit market.

Focal points for firearms traces for the Southern African region, suggesting higher volumes of weapons being used in the commission of an offence, occur in select countries in the region. Open source and IARMS data suggest countries with ongoing civil unrest appear to be central in illicit firearms activities for the region, which in turn suggest an illicit commodity exchange is occurring. In some cases, firearms are exchanged for other commodities such as cannabis, stolen livestock, or any other illicit items or contraband with significant enough economic value. Weapons will be brought into the country, traded, and then these weapons also find their way out, to be used for various illicit purposes. This results in a laundering of illicit weapons. It is probable that the border situation between various countries allows for this specific weapon laundering to occur. It is suspected that the demand for firearms in many countries in the region is driven by gang activity taking advantage of political instability.

Another trend regarding firearms in the region is the use of homemade firearms in the commission of offences. Police have seized numerous firearms that have been made by individuals, using basic materials such as pipes and other raw metal materials. These weapons are particularly concerning given the lack of ability to trace and/or track their origin. These weapons by their nature are never registered in jurisdictions where tracking firearms is regulated. These types of firearms are being used for a range of rural crimes, including poaching. This trend suggests the overall demand for firearms in the region is high, yet supply is low. The use of homemade firearms has been detected across the region.

All of this firearms activity suggests there is limited supply of illicit firearms to the region, which accounts for the above noted trends as well as a growing trend in the use of violence to obtain weapons from various legitimate sources. There is an ongoing issue with the use of violence to obtain firearms from police or military or from private residences. Attacks on police states or individual officers occur throughout the region, with syndicates targeting firearms caches specifically. Such attacks also occur on peacekeeping missions in the region or in proximity to the region. Militaries will deploy with arms supply, ammunition, and weapons, and peacekeeping contingents will be targeted by criminal organizations in conflict zones, and then the illicit weapons obtained through attacks or coercion will be trafficked back into the region.

Criminals are routinely found in possession of illicit firearms, yet the exact methods of obtainment are not known. Firearms being seized have included AK47 rifles, various pistols, and a range of other light weapons. It is widely suspected that these firearms are coming mostly from the northwestern part of the region, smuggled by refugees and soldiers who have fled the conflicts there, yet further investigation is required.

Criminal Convergences and Other Crimes (Regional Crime Dynamics)

As has been mentioned throughout this report, no criminal market stands alone in the region. Poly-criminality is common throughout Southern Africa as many criminal activities often support each other; for example, persons may be trafficked or exploited, being used as drug mules, or the use of illicit drugs may facilitate sexual exploitation.

Syndicates have also been found to overlap firearms trafficking with the drug trade or stock theft and other wildlife crimes. Most syndicates active in an array of criminal markets often link back to firearms trafficking, where weapons are being used for bartering, or as a direct method of payment. Some syndicates have also been found to use illicit drugs as another means of payment for other illicit commodities. In many criminal markets, fraud is a direct tool of syndicates to trade in drugs, people, firearms, and other stolen goods and can be found across most criminal markets. All criminal markets connect in complex ways.

Beyond the organized criminal markets outlined already, there is a range of other criminal activities linked to or undertaken by organized crime syndicates in the region on top of the

major activities outlined, which have been found to link together. The aforementioned major criminal markets are only those that are generating significant profits as distinct markets, and that are fueling organized crime directly, yet there are more acts of violence, nuanced crimes, or activities per country that are ongoing and that link to and even at times fuel these markets. These other crimes are important to note as they may be priorities for some member states as well as one activity in one country, albeit deemed low-level in one area, may be fueling or supporting organized crime activity in another country.

As it is more common for various crimes to link together, overlap, or converge, these other crime-types are discussed in the context of poly-criminality syndicates. Natural resource crimes beyond wildlife crimes are a major convergent crime, often linked to a host of other crimes and corruption. The exploitation of natural resources is ongoing by syndicates, often tied to government elements. One of the most notable natural resource sectors impacted by or influenced by crime syndicates is the diamond industry.

Diamonds are a unique commodity in the world, and one of the only ones that can store, easily move, and generate wealth, all while remaining completely untraceable. Diamond-producing nations can be found throughout the region and illicit diamond activity has been detected in all of these countries in some form. Illicit diamond activity can be detected in any jurisdiction where illicit diamond trafficking routes connect through. The diamond industry has been used by Eastern European and Middle Eastern criminal elements, noting the Israeli crime elements, for money laundering purposes, and has been linked to drug trafficking, theft, and various financial crimes.¹⁸

Various countries have notable natural resource exploitation where crime syndicates, noting in some cases links with Asian-based criminal organizations, exploit the copper, oil, and timber industries extensively.

The exploitation of these sectors overlaps with wildlife crimes, financial crimes, and will often include money-laundering activities. All natural resource sectors may generate large profits for government officials who take bribes or kickbacks but natural resources are also a strong opportunity to hide illicit proceeds generated from various other criminal markets. For instance, the copper industry may be an opportunity to conceal the theft of non-ferrous metals obtained throughout the region, hide

proceeds from various wildlife crimes, or even import/export illicit drugs.

Counterfeiting is another type of criminality, which is often a convergence of contraband and financial crimes. Counterfeited products is a significant issue in the region that is often overlooked. A highly visible influx of counterfeit goods, of various types, is occurring across the region, noting the range of designer items or other commodities such as tobacco. Most of these goods are clothing, various electronics and media, computer software, designer clothing and accessories, but more dangerous are fake or fraudulent foods or pharmaceuticals. This illicit trade undermines legitimate business and economic growth, but more significantly affects public health. Counterfeit goods converge with most other criminal markets also, linked to the trafficking of drugs, people, theft, and wildlife crimes. Trade routes used for counterfeit goods, as well as retail stores or markets, are used for these other criminal markets. Persons may be trafficked to work in production facilities for counterfeit goods and corruption underpins this industry.

The criminal links between wildlife crime syndicates and narcotics has been detected also in the region, especially those narcotics or precursor chemicals for synthetic drugs linked to Asia. Open sources show a recent case where nationals from Asian countries were operating within the region and involved in rhino horn trafficking and the trade in Mandrax.¹⁹

Convergent crimes are a major aspect of the total organized crime enterprise in Southern Africa, and most criminal markets have been found to overlap with each other in some way. The complexity of criminal enterprise is significant, and many crimes not covered in this assessment may be major aspects of organized crime.

Illicit flows of money and assets

The final aspect of this analysis covers all detectable characteristics of illicit finances in the region as it links to organized crime and often corruption. As organized crime is ultimately crime for profit, law enforcement needs to disrupt criminal proceeds by tracing and preventing the movement of illicit money and assets or the proceeds of crime, ultimately cutting off the incentive for committing such crimes. This is achieved through understanding various trends and patterns of illicit financial and asset flows so that interdiction strategies can be formed accordingly.

This section explores and assesses first money laundering issues in the region as an aspect of all those criminal markets highlighted so far. This section also highlights many detected or potential money-laundering schemes available to criminal organizations across Southern Africa as has been found in both the open and closed source data.

This section also covers money movement or alternative remittances beyond money laundering. This is because the movement of illicit money or offshoring of illicit wealth may not necessarily link to or be an aspect of money laundering per se, but is an aspect of organized crime. Alternative remittances are an important aspect of illicit flows of money and assets in the region because the simple movement of money across borders within the region or to other international jurisdictions may suffice in driving organized crime activities, especially in relation to corruption or lack of government regulation.

Money Laundering

The Southern African region offers a unique operating environment for the concealment of funds derived from the array of illicit or criminal market activities ongoing in the region. An analysis of all information sources used for this report suggests that Southern Africa may be, as a region, a primary location to launder proceeds of crime on a global scale.

Money laundering is a major aspect of organized crime activities linked to all criminal markets outlined throughout this report, and all illicit profits generated from these criminal enterprises need to be hidden from detection and state authorities in some way. Even when corruption is routine in a given jurisdiction, concealment from government surveillance and regulatory efforts is still important for syndicates, because even criminals may fear government appropriation of ill-gotten gains.

Money laundering in the region may not just be required for those illicit proceeds generated in the region, rather Southern Africa may be a region sought by international criminal organizations operating globally, to legitimize global proceeds, and then move cleaned proceeds back offshore, to be hidden from various other regulators, such as those in the United States, Europe, and elsewhere. Criminals on a global scale may be using the region to conceal their wealth here for fear of detection or from theft from corrupt regimes or rival organizations or networks, or detection from authorities outside the region. An analysis of various money laundering activities and typologies suggest that no one country is a

money laundering or offshore haven independently necessarily, but when the region is looked at as a whole, the region itself, and its cross-border dynamics, becomes a significant money-laundering jurisdiction.

There are a number of dynamics that make the Southern African region as a whole particularly prone to money laundering activities. The nature of borders in the region, combined with varying and sometimes limited financial controls, creates opportunity for the financing of crime and the laundering of profits. The geopolitical nature of the region, with large informal and cash-based economies in close proximity to large and sophisticated financial hubs, is a unique situation in the world. The commingling of informal and cash-based economies with advanced financial infrastructure allows crime syndicates to earn illicit profit with impunity in one area, move it a short distance, and wire it anywhere in the world. They can move their illicit profits over a short geographic distance, crossing a border with limited controls, to a jurisdiction with developed financial infrastructure, for it to be wired anywhere, without authorities being able to verify its source or origin.

Given the number of informal economies in the region, some countries themselves have become major money laundering jurisdictions. Financial services sector surveillance, which is the basis of most anti-money laundering regimes, is largely ineffective, as formal banking is avoided or not even accessible to wide segments of the population. Most transactions in the market place are cash-based, with limited traceability, so any illicit transactions do not need to be hidden or justified, as they can comele with the other informal, yet non-illegal transactions occurring. Money laundering activities carried out by various crime syndicates link to neighboring countries and beyond. It is likely that syndicates from across the region are able to smuggle currency in and out of various countries, with offenders often citing a fictitious source of income from non-existent businesses. This has also been noted to occur by air, and has links as far away as Australia.²⁰

Syndicates have been found to move bulk currency earned in more informal markets to other jurisdictions where money can be moved more readily. Money laundering or the placement of illicit proceeds is suspected in the region, linking almost every country in the region together. Adding to this, is the lack of foreign exchange controls in some countries, putting no restrictions on capital outflows through financial institutions.²¹

Atop the geopolitical nature of the region being conducive to money laundering, there is also a range of vulnerable sectors prone to money laundering across the region exploited by crime syndicates. The most common vulnerable aspects of the financial sector, like the rest of the world, are formal or chartered banking and remittance or wire transfer businesses. The banking sector and formal remittance business are largely regulated throughout the region, but are still susceptible to money laundering activities, driving that above outlined cross border money laundering activity. In addition, massive volumes of financial transactions occur between all countries in the region, and to the rest of the world, in which large volumes of illegitimate transactions are concealed.²² The movement of money from country to country is a fundamental aspect of the integration of illicit funds.

There are other sectors that remain unregulated and vulnerable to the placement, laying, and integration of illicit profits. These are most notably real estate, casinos, and mobile money services. First, there are various methods and schemes launderers use to process money through real estate. Throughout the region, cash transactions occur to buy property. In many jurisdictions in the region, the purchase of real estate with cash is unregulated. In addition, a third party buys a property on behalf of a crime syndicate, further obscuring the source of funds. This is tied to the above noted dynamic of informal cash systems present in the region.

Syndicates use loans or mortgages to buy property also, but they will settle the mortgage in full after a short time, with cash derived from illicit market activities. There can be fraudulent aspects to this practice also, putting further strain on the banking sector in the region. At times undervaluation of property will occur, with the true worth being paid secretly by the purchaser to the vendor using illicit funds, which conceals illicit wealth. In some notable cases, money laundering schemes involve successive selling to complicate the audit trail. Leasing schemes may also be used.

In an effort to legitimize illicit funds, crime syndicates will also carry out rental schemes. Individuals tied to organized crime provide a tenant with illicit funds to cover rent payments. Most common however is foreign ownership of property. This often involves establishing shell companies in a weaker regulatory environment or area with higher rates of corruption. Syndicates will use shell companies to buy a property in another country that does not require the presence of the buyer, thus hides wealth while staying anonymous in a third party

jurisdiction. This is likely occurring across Southern Africa and has been highlighted as a concern by some countries in the region.

Atop real estate as a major money-laundering scheme in the region, casinos have been found throughout Southern Africa and in many jurisdictions, which often are not covered or regulated by the financial intelligence units. The casino industry is especially vulnerable to money laundering activities and casinos are in most countries in the region.

Casinos may offer different types of financial services such as foreign exchange, transfers and disbursements checks and even can facilitate money movement between accounts in various countries. Yet the most common scheme used in casinos is the purchase of chips or other instruments of play with illicit wealth, with some game-play occurring, but ultimately the chips will be cashed out in the form of a check, suggesting the funds were derived from casino winnings. Sometimes this is also done through fixed-odds betting terminals or slot-machines as players play and lose only small amounts, then cash out so they have a receipt to show what appears to be proof of their winnings.

**OF GREATER CONCERN HOWEVER IS
THE UNREGULATED USE OF THE
MOBILE MONEY SERVICES OR THE USE
OF MOBILE PHONES FOR ROUTINE
TRANSACTIONS**

Of greater concern however is the unregulated use of the mobile money services or the use of mobile phones for routine transactions, which accounts for huge volumes of day-to-day financial transactions occurring across the region. All four information sources analyzed suggests that illicit money movement is occurring via mobile money services such as 'mpesa or ecocash, more and more, and is highly likely linked to money laundering activities. No telecom provider in the region is regulated in terms of financial transaction reporting despite this massive volume of day-to-day transactions being used for both big and small purchases and even commercial activities. Data suggests that in the region the use of mobile money services is being used for illegal transactions, and these transactions currently are outside financial intelligence unit's market surveillance processes. The use of mobile money services has been detected in

drug transactions or for the purchase of a range of illicit or illegal goods such as contraband tobacco, and even prostitution. The most common money-laundering scheme facilitated by mobile money services is 'smurfing'. Smurfing involves the use of multiple individuals ('smurfs') and/or multiple transactions to funnel smaller amounts eventually into a beneficiary account. Even if regulated, these services would make it easier to amass smaller amounts under any reporting threshold or limit into a central beneficiary account.

**THE TRANSNATIONAL MOVEMENT
OF MONEY AROUND THE REGION
AND ABROAD IS A MAJOR ASPECT
OF ORGANIZED CRIME IN SOUTHERN
AFRICA**

Countries report on ongoing money laundering activities in the region, with policing capacity attempting to grow to meet the level of ongoing activity. Syndicates are suspected to be involved in white collar and financial crimes have often been found to have offshore accounts and they will transfer the money to offshore accounts after accomplishing their criminal enterprises, so even if detected, it becomes difficult to repatriate or target for asset forfeiture. This highlights the importance of addressing alternative remittances atop money laundering schemes. Illicit financial flows in the region have been identified with links to organized crime, and linked to money transferred under the guise of charities. Wiring services are also often used to move money around the region, and are fundamental to the placement and layering phases of the money laundering process. Overall, money laundering is occurring on a significant scale across the region, with multiple schemes being used to hide or conceal illicit proceeds, which poses a significant challenge to law enforcement.

Alternative Remittances

Also important for law enforcement to understand regarding illicit flows of money and assets in the Southern African region is how value or wealth is stored, transferred, and moved, especially for illicit gain, outside the framework of money laundering (placement, layering, AND integration). Although remittance can be a part of the money laundering process, the way criminal syndicates move money is important to understand on its own because it

may be occurring when money laundering schemes may not be. Because of the cross border nature of money laundering in the region, the movement of money is as equally important as the various schemes used to conceal illicit profits. Simply moving value to another jurisdiction may be concealment enough. All sources of information analyzed suggests that the transnational movement of money around the region and abroad is a major aspect of organized crime in southern Africa, but is significantly complex phenomena, and not widely detected.

There are an array of remittance processes that exist in the Southern African region being used for illicit purposes. Criminal groups exploit legitimate business and use a range of techniques to move money, both domestically within countries and transnationally, noting the use of the formal financial sectors and money remittance businesses such as Western Union and MoneyGram, mobile money services as noted, crypto currencies, bulk cash smuggling, commodity trading, the use of stored value cards, or the use of other high-value items being bought or stolen to store and then move wealth. The use of alternative remittances in the region is a major facilitator for organized crime and needs to be addressed by law enforcement to increase detection of criminal syndicate activity.

Within the region, there is a reliance on wire transfer services such as Western Union and Money Gram to move money from country to country and offshore. These transfers are only partially detectable by some financial intelligence units in the region. These two primary wire transfer service providers process hundreds of thousands of financial transactions in a given year in the region, with both small and large transactions occurring daily. Information assessed for this report shows that possible fraud schemes, that link the region to the rest of the world, including to Europe, utilize these services, and at times offenders will make little to no effort to conceal the financial flows. Also, these services are used for drug transactions at the courier level, where payments are made within the region and also back to source countries. These services connect every country in the region together and to almost every other continent, highlighting the potential for and complexity of illicit financial flows.

The use of mobile money services and also crypto currencies such as Bitcoin add further complexity to the movement of money domestically and internationally. Beyond routine transactions via mobile money services, speculation in Bitcoin is at some of its highest levels in Africa and at times is used as a

common currency.²³ The use of Bitcoin and crypto currencies does not launder proceeds per se, but provides for a global platform for financial transactions to occur, anonymously, not bound by any government jurisdictions or regulatory system. This also allows for transactions to occur on the deep or dark web and across borders instantly. Crypto currencies allow for more sophisticated syndicates to store wealth in the digital environment, away from detection and regulators, and then can move it at will anywhere.

Physical bulk cash movements is a major aspect of money movement throughout the region, and ties back to money laundering activities as outlined above. With many informal and cash-based economies in the region, the physical movement of large volumes of cash is a common occurrence through Southern Africa. Although not explicitly illegal, it allows for the obscuring of the origin of funds, and often large volumes of cash are not traceable. Concealed within the larger and legitimate movement of cash is a percentage that is illicit. However, beyond the movement of cash or digital currencies, various other commodities and goods can be used to store and transmit wealth across national and international boundaries, effectively obscuring the source of illicit proceeds or wealth obtained through corruption.

Commodity exchanges, sometimes referred to as 'black market currency exchanges' occur in the region also, trading and moving legitimate goods alongside illicit profits. This was a system commonly used by drug cartels in Latin America but can now be found in the region. The system involves moving criminal proceeds through the use of international trade. Generally syndicates will contact legitimate importers of various goods into any one of the countries in the region. They will agree to purchase the goods with illicit proceeds in exchange for deposits into offshore accounts. Illicit profits are used to pay the exporter on behalf of the foreign importer. This is a complex system but hides illicit wealth behind legitimate businesses and within the total volume of legitimate trade occurring daily. It is suspected that this is occurring largely in the mining industry with links to Asia.

Some profits at times don't need to be laundered or concealed at all, but will simply be moved offshore through purchasing or trading in various commodities beyond those in black market currency exchanges.²⁴ Often used are natural resources, and most common is the use of diamonds. Diamonds in the region are another significant alternative remittance system for illicit wealth and are an effective way

to move wealth offshore, largely outside of customs or other regulatory systems, as was noted in previous sections. Another commodity common to find in the illicit moment of wealth is gold. The illicit trade in diamonds and gold inevitably leads to local violence also.²⁵

Overall, crime syndicates continue to move money around the region or send it offshore using any combination of the alternative remittances outlined above. The systemic movement of money is ultimately hard to track and trace in the region, and is likely to continue to pose a major challenge to law enforcement in their effort to detect illicit financial flows. There likely remains a number of other techniques being used daily by criminal organizations or gangs beyond the scope of this report and both the above remittance processes and emerging technique need to be addressed.

Conclusion

The purpose of a threat assessment is to identify any organized crime group or activity that could pose a direct danger or threat to any country's continuous safety, security, and development. Threat is an estimate of the intent and capabilities of a criminal element, and both the intent and capabilities of organized crime in the Southern Africa region have been highlighted herein. This report was able to highlight the various networks and syndicates that have demonstrated organized crime's intent to continue in a range of criminal market activities and even foster new criminal markets wherever possible, and it was able to outline various syndicates' capacities in carrying out the range of criminal market activities highlighted.

The analysis contained in this report outlined what the current detected threat environment looks like to date for the Southern African region. This threat assessment outlined the current threats stemming from criminal networks and the criminal markets they foster. This report systemically assessed financial crimes, drug trafficking, wildlife crimes, human trafficking, organized theft and robbery, and organized violence. It looked at the most significant enabling crimes and criminal convergences affecting the region, noting cybercrime, corruption, and the trafficking and trade in small arms and light weapons. Finally, it covered illicit flow of money and assets, looking at core money laundering activity taking place throughout the region and also the way funds get moved around the region and offshore outside the framework of money laundering.

In terms of drugs, traffickers have a clear vision of growing new narcotics markets in the region through cocaine and heroin, to gain higher and higher profits. Syndicates will continue to exploit persons across the region for sexual exploitation or corrupt labor practices. Groups have a desire to continue trafficking in illicit small arms, for the purposes of growing their business and for controlling populations through violence, fear and intimidation. Networks will continue to target wildlife in the region and deliver a range of illicit animal products to both local and foreign markets. Small groups and gangs will continue to grow organized property crime activity, stealing and trafficking such things as motor vehicles, metals, livestock, amongst others, in order to generate local profit on behalf of more sophisticated transnational organized criminal elements. More than all other markets however, syndicates, groups, and gangs will continue to grow their capacities in frauds and a range of financial crimes.

In terms of capacities, syndicates have demonstrated they are able to leverage frauds to carry out an array of criminality. They used cyber capabilities, are able to corrupt the public sector, leverage businesses and the private sectors, and can access firearms to drive violence and control. As groups grow more sophisticated over time, and learn from law enforcement interventions, they will continue to be involved in more than one criminal market at the same time, maximizing opportunity and profits, while ensuring they are more resilient to law enforcement actions. They already used a range of tactics to stay ahead of law enforcement efforts. Groups are aware of and are able to exploit legislative gaps from country to country, and leverage the many jurisdictions found within the Southern Africa region for criminal gains.

In total, criminal syndicates operating in Southern Africa have the intent and capabilities to continue exploiting the region for criminal gain, and have the intent and capabilities to grow their illicit enterprise in almost every country in the region. Left unchecked by law enforcement, any syndicate operating will continue to grow their markets, exploiting people and systems for personal gain. As they grow, their unfair and unscrupulous business practices will hinder legitimate business, deteriorating real economies, while perpetuating corruption. Organized crime has a direct impact on civil society and economic progress and it poses a range of social and economic harm.

References

- ¹ 'Corruption is Getting Worse in Southern Africa and Most People Pay Bribes for Public Services', *Transparency International*, 22 November 2011, https://www.transparency.org/news/pressrelease/20111122_corruption_southern_africa (accessed 3 September 2018).
- ² M. Plaut, 'Namibia: The Italian Mafia and the President's Son', *World Press*, 7 April 2016, <https://martinplaut.wordpress.com/2016/04/07/namibia-the-italian-mafia-and-the-presidents-son/> (accessed 3 September 2018).
- ³ Thomson Reuters World Check database, organized crime coded information for South Africa queried (accessed 2 February 2018).
- ⁴ 'The Weed That Feeds Tiny Swaziland', *Independent Online (IOL)*, 13 June 2005, <https://www.iol.co.za/news/africa/the-weed-that-feeds-tiny-swaziland-243620> (accessed 3 September 2018).
- ⁵ 'This Country is Tapping into the Lucrative Marijuana Industry that Could Make Africa Rich', *Quartz Africa*, 18 September 2017, <https://qz.com/africa/1080156/legalize-weed-lesotho-malawi-and-south-africa-are-all-closer-to-africas-first-legal-marijuana-license/> (3 September 2018).
- ⁶ 'Mandrax is One of South Africa's Most Abused Illicit Drugs', *Twin Rivers International*, 28 April 2017, <https://twinriversrehab.co.za/mandrax-abused-illicit-drug/> (accessed 3 September 2018).
- ⁷ Meeting with various wildlife conservancies in the region, Harare - Zimbabwe, 2017.
- ⁸ Thomson Reuters World Check database, wildlife crime coded for all countries in the region queried, key word 'poaching' (accessed 2 February 2018).
- ⁹ 'The Global Slavery Index 2016', *Walk Free Foundation*, 2016, <https://cdn.globalslaveryindex.org/2018-content/uploads/2018/07/19123316/GSI-2016-Full-Report.pdf> (accessed 30 April 2018).
- ¹⁰ 'Human Trafficking, Especially for Labor, is Rife in SA', *Mail & Guardian*, 7 June 2017, <https://mg.co.za/article/2017-06-07-00-human-trafficking-especially-for-labour-is-rife-in-sa> (accessed 3 September 2018).
- ¹¹ Thomson Reuters World Check database, organized crime coded information for South Africa queried (accessed 2 February 2018).
- ¹² 'Kidnap-For-Ransom in Mozambique, A Threat That's Expected to Rise', *Control Risks*, [online podcast], 23 November 2017, <https://www.controlrisks.com/our-thinking/insights/podcasts/kidnap-for-ransom-in-mozambique> (accessed 3 September 2018).
- ¹³ Thomson Reuters World Check database, organized crime coded information for South Africa queried (accessed 2 February 2018).
- ¹⁴ Thomson Reuters World Check database, organized crime coded information for South Africa queried (accessed 2 February 2018).
- ¹⁵ 'SIPRI Arms Transfers Database', *Stockholm International Peace Research Institute*, <https://www.sipri.org/databases/armstransfers> (accessed 2017).
- ¹⁶ Ibid
- ¹⁷ 'Zim: Africa's Leading Arms-Loving Nation, Objecting to Nearly all Restrictions on International Trade of Weapons', *News Day*, 3 November 2014, <https://www.newsday.co.zw/2014/11/zim-africas-leading-arms-loving-nation-objecting-nearly-restrictions-international-trade-weapons/> (accessed 3 September 2018).
- ¹⁸ 'Israel's Dirty Trade in Africa: Diamonds, Weapons and Settlements', *Middle East Monitor*, 2 August 2017, <https://www.middleeastmonitor.com/20170802-israels-dirty-trade-in-africa-diamonds-weapons-and-settlements/> (accessed 3 September 2018).
- ¹⁹ 'Background on South Africa, Rhino Poaching and Rhino Horn Trafficking', *The Global Observatory of Transnational Criminal Networks*, No. 8, January 2017, https://www.researchgate.net/profile/Eduardo_Salcedo-Albaran/publication/322340066_Background_on_South_Africa_Rhino_Poaching_and_Rhino_Horn_Trafficking/links/5a54e8374585152af77fd7ae/Background-on-South-Africa-Rhino-Poaching-and-Rhino-Horn-Trafficking.pdf?origin=publication_detail (accessed 3 September 2018).
- ²⁰ Australian Institute of Criminology, 'The Illegal Movement of Cash and Bearer Negotiable Instruments: Typologies and Regulatory Responses', *Trends & issues in crime and criminal justice*, No. 402, October 2010 (last modified 28 November 2017), <https://search.informit.com.au/documentSummary;dn=846224631430502;res=IELHSS> (accessed 3 September 2018).
- ²¹ '2017 Investment Climate Statement for Botswana', *U.S. Department of State*, 29 June 2017, (accessed 3 September 2018).
- ²² 'UK Banks 'Exposed to Money Laundering in South Africa'', *BBC News*, 19 October 2017, <http://www.bbc.com/news/business-41672793> (accessed 3 September 2018).
- ²³ 'Zimbabwe Doesn't Have its Own Currency and Bitcoin is Surging', *Bloomberg*, 15 November 2017, <https://www.bloomberg.com/news/articles/2017-11-15/bitcoin-surges-in-zimbabwe-after-military-moves-to-seize-power> (accessed 3 September 2018).
- ²⁴ 'Angola's Black Market Dollar Dealers', *Roads and Kingdoms*, 7 June 2016, <https://roadsandkingdoms.com/2016/luanda/> (accessed 3 September 2018).
- ²⁵ 'Illicit Gold Trade Fuels Conflict in South African Mining Town', *Al-Jazeera*, 1 May 2018, <https://www.aljazeera.com/indepth/features/illicit-gold-trade-fuels-conflict-south-african-mining-town-180418052832489.html> (accessed 3 September 2018).

► ABOUT INTERPOL

INTERPOL is the world's largest international police organization. Our role is to assist law enforcement agencies in our 194 member countries to combat all forms of transnational crime. We work to help police across the world meet the growing challenges of crime in the 21st century by providing a high-tech infrastructure of technical and operational support. Our services include targeted training, expert investigative support, and specialized databases and secure police communications channels.

► OUR VISION: "CONNECTING POLICE FOR A SAFER WORLD"

Our vision is that of a world where each and every law enforcement professional will be able through INTERPOL to securely communicate, share and access vital police information whenever and wherever needed, ensuring the safety of the world's citizens. We constantly provide and promote innovative and cutting-edge solutions to global challenges in policing and security.



General Secretariat
200 quai Charles de Gaulle
69006 Lyon
France

Twitter: @INTERPOL_HQ
YouTube: INTERPOLHQ

www.interpol.int