



MULTI-AGENCY SITUATION REPORT

ON ORGANISED CRIME 2021

Swedish Public Employment Service
Swedish Economic Crime Authority
Swedish Social Insurance Agency
Swedish Prison and Probation Service
Swedish Enforcement Authority
Swedish Coast Guard
Swedish Migration Agency
Swedish Police Authority
Swedish Tax Agency
Swedish Security Service
Swedish Customs
Swedish Prosecution Authority

Summary

The National Intelligence Centre presents a situation report of the organised crime that is encountered by the cooperating agencies and network agencies. The purpose of the situation report is to act as an overarching strategic direction document and provide background material for setting priorities in the intelligence work that is to be conducted within the framework of the multi-agency initiative against organised crime.

The situation report is a threat and vulnerability analysis. The threat assessment is based on an overall assessment of the damage caused by crime to targets with high protection value, in combination with parameters concerning scale, geographical effect and time aspects.

This situation report is limited to describing the kind of crime that the cooperating agencies encounter, that is considered to be a problem for all agencies and that can be tackled using multi-agency capacity. This situation picture is therefore not a comprehensive picture of *all* organised crime that occurs in Sweden.

It is based on reports and material from the cooperating agencies and other agencies, workshops with experts taking part in the initiative, and strategic and operational intelligence reports drawn up within the initiative during the period 2019–2021.

The overall assessment is that the most serious threats are *attacks on the welfare system and the evasion of taxes and charges, drugs crime and the serious violence resulting from it, and the parallel societal structures* that have emerged in Vulnerable Areas.

The most serious vulnerabilities that are exploited by organised crime can be divided into five categories. *Anonymity in the legal sphere of society* through criminal actors' use of businesses, straw men and identities

as crime instruments. Government agencies' trust-based systems in combination with *inadequate control mechanisms and divided responsibility* mean that *loopholes emerge*. Government agencies and businesses are subjected to *corruption, infiltration and unlawful pressure* and *national law enforcement agencies are still affected by growing cross-border crime*.

It is essential that the initiative focuses on serious crime that threatens society and its systems, and that several agencies can successfully combat through joint efforts. Drugs crime and serious violence are serious threats to security in society. However, few agencies in the initiative have the immediate task of combating criminal networks, drugs crime, weapons crime and violence. Within the initiative there is instead the capacity to tackle/make more difficult the handling of money and the laundering of crime proceeds generated by drugs crime, as well as to prevent businesses from being used as crime instruments. Regarding Vulnerable Areas, a development and analysis need has been identified to be able to draw up a multi-agency situation report.

The assessment has been made that the initiative should prioritise profit-driven crime that targets the State and uses businesses as crime instruments. The National Intelligence Centre considers that there are good prospects for the multi-agency fight against crime in the form of incorrect payments and the evasion of tax and charges. As part of this focus, knowledge about crime proceeds should be improved. The purpose of knowledge enhancement is to jointly stop state funds from being used to finance crime and work to recover crime proceeds and thus reduce organised crime's room for manoeuvre and growth.

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1. Introduction

1.1 Background

The multi-agency initiative against organised crime was launched in 2009. It is based on a common strategic direction decided by the Cooperation Council, in which each cooperating agency is represented by its director-general or equivalent. The agencies involved in the initiative are the Swedish Public Employment Service, the Swedish Economic Crime Authority, the Swedish Social Insurance Agency, the Swedish Prison and Probation Service, the Swedish Enforcement Authority, the Swedish Coast Guard, the Swedish Migration Agency, the Swedish Tax Agency, the Swedish Security Service, the Swedish Police Authority, Swedish Customs and the Swedish Prosecution Authority.¹ These agencies work together in the National Intelligence Centre and in regional intelligence centres.²

According to the strategic direction adopted in 2016, multi-agency efforts should focus on *strategic individuals*³ and *Vulnerable Areas*⁴. These efforts may also be aimed at other organised crime of a serious or extensive character when it is assessed that cooperation between authorities will improve law enforcement (*special reasons*). The agencies are to harness opportunities to support all of society's measures to combat violent extremism, terrorism, money laundering and welfare crime.

In 2018, a network was formed with an additional nine agencies, which was linked to the multi-agency initiative against organised crime.⁵ By carrying out their basic assignments, the network authorities are able to support common efforts to prevent organised crime.

The National Intelligence Centre is tasked with writing a multi-agency situation report on organised crime every two years.

1.2 Purpose and objective

The purpose of the report is to act as an overarching strategic direction document and provide background material for setting priorities in the intelligence work that is to be conducted within the framework of the multi-agency initiative against organised crime.⁶

According to the assignment plan⁷ for the multi-agency situation report on organised crime for 2021, the situation report is to identify and describe:

- The most serious threats from organised crime
- The most serious vulnerabilities that are exploited by organised crime
- Targets with high protection value that are considered essential to protect, and a weighting of these
- Changes and new phenomena compared with the multi-agency situation report for 2019, as far as is possible
- The multi-agency analysis of problems in Vulnerable Areas
- The threats and vulnerabilities that are most important to reduce, and recommended measures
- Continued analysis needs based on identified knowledge gaps or new phenomena.

1 On 31 March 2020, the new government agency instructions entered into force to the effect that all agencies in the initiative have been tasked with participating in the initiative.

2 The Swedish Prosecution Authority only participates in regional cooperation councils and the management group of the National Intelligence Centre.

3 Strategic individuals are nominated based on capacity assessments according to a number of defined selection criteria.

4 Vulnerable Areas are areas that the Swedish Police Authority considers to be vulnerable on the basis of a number of criteria linked to the level of serious crime and the area's socio-economic situation.

5 This network comprises the Swedish Work Environment Authority, the Swedish Companies Registration Office, the Swedish Board of Student Finance, the Swedish Financial Supervisory Authority, the Swedish Health and Social Care Inspectorate, Stockholm County Administrative Board, the Swedish Pensions Agency, the Swedish National Board of Institutional Care and the Swedish Transport Agency.

6 The multi-agency initiative uses a broad definition of organised crime. 'Organised crime' refers to 1) at least two individuals who 2) over time 3) cooperate to commit serious crime 4) for the purpose of financial gain.

7 The assignment plan is drawn up by the management group of the National Intelligence Centre, in which representatives of the cooperating agencies participate.

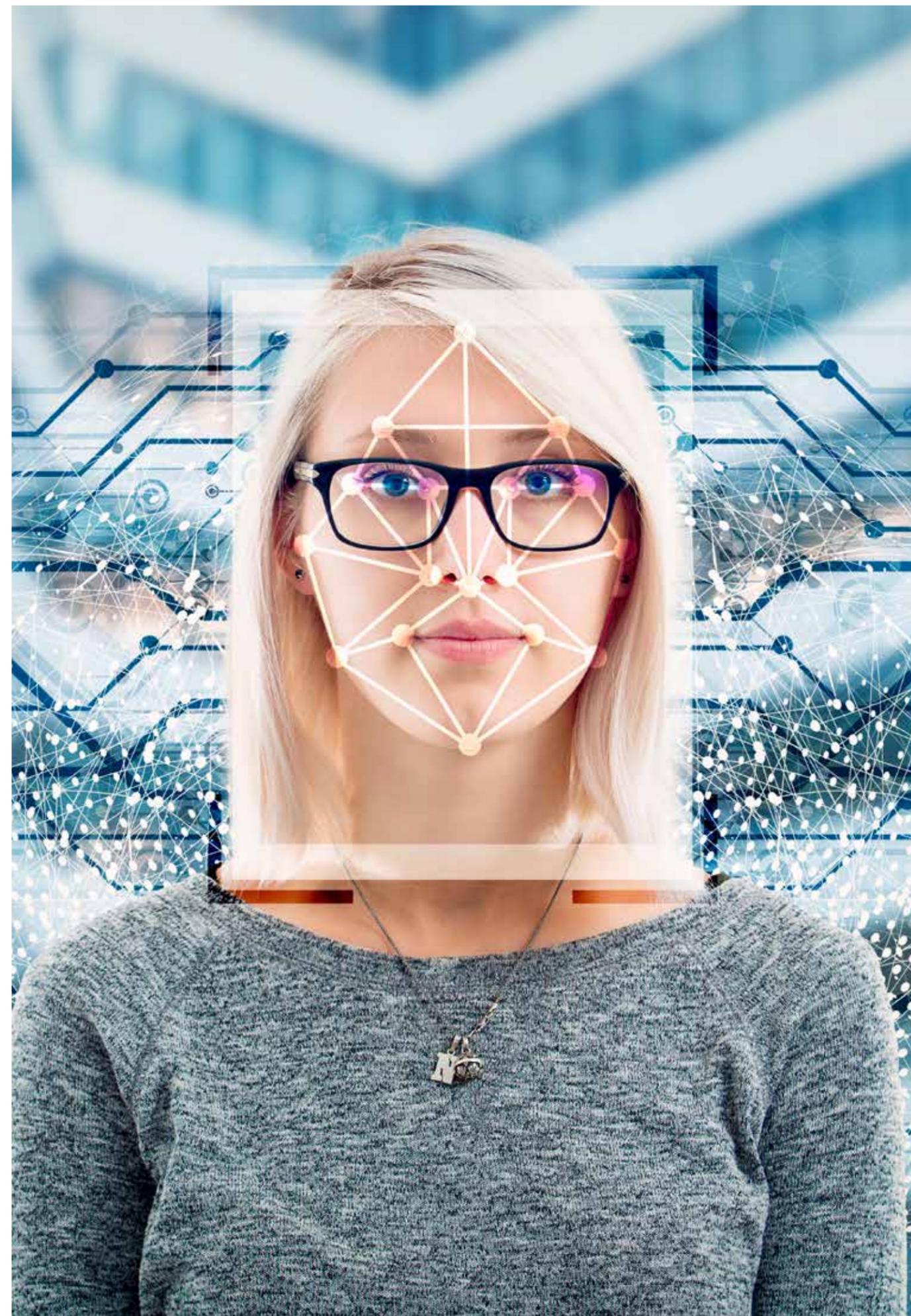




Figure 1. The working process that forms the structure of the project.

1.3 Project organisation

The Swedish Police Authority has led the project together with the Swedish Social Insurance Agency and the Swedish Tax Agency. The project group included representatives of the Swedish Economic Crime Authority, the Swedish Prison and Probation Service, the Swedish Enforcement Authority, the Swedish Police Authority, the Swedish Tax Agency and Swedish Customs. The project has collaborated with and gathered knowledge from other agencies in the initiative, as well as the Swedish National Council for Crime Prevention.

1.4 Methods and material

The work has been structured around a process made up of four steps (figure 1).

Targets with high protection value refers to targets linked to the safety and security of individuals, society and the nation. An overarching description of targets with high protection value is provided in the national security strategy and forms the basis of the situation report. Threats refers in this report to the crime encountered by the cooperating agencies. Even legal or suspected activities that may be a threat and a step-in for organised crime have been considered. Vulnerability refers to shortcomings and limitations in society that enable crime.

The situation report is primarily based on a combination of open sources and intelligence reports, including:

- Reports and material from cooperating agencies and material from other actors, such as the Swedish National Council for Crime Prevention and Europol
- Workshops with experts within the initiative or at agencies
- Strategic and operational intelligence reports produced within the initiative during the period 2019–2021

In addition to this, other people in the initiative have been contacted for the purposes of quality assurance and supplementary information. The working group has adopted a holistic perspective in its work. However, it is unavoidable that this situation report, like those of previous years, is also characterised by the understanding and knowledge present at the participating agencies.

This situation report describes the kind of crime that the cooperating agencies consider to be a problem from a multi-agency perspective and that the agencies have a joint capacity to tackle.

The report is qualitative in its aim to describe and understand crime. At the same time, an approach has been used that tries to integrate certain quantitative data to be able to give a picture of the scale and compare the different threats. There are various methodological problems associated with the use of figures concerning incorrect payments and the evasion of taxes and charges. For example, the figures come from different data sources. The assumptions that the calculations are based on may be incorrect, and it is difficult to make direct comparisons between different compensation systems. Equally, there is no information about how large a proportion of missed tax revenue can be linked to crime committed in an organised form as opposed to crime committed by individuals.

The situation report is dated 2021 and mainly based on material covering the years 2019–2021. It was reviewed by the cooperating agencies in August 2021.

1.5 Delimitations

This situation report describes the kind of crime that the cooperating agencies consider to be a problem from a multi-agency perspective and that the agencies

have a joint capacity to tackle. Therefore, this situation report does not provide a comprehensive picture of all organised crime that occurs in Sweden; for example, complex cybercrime⁸, document and currency counterfeiting or match fixing are not included in the report.

1.6 Outline

Chapter 2 describes the kind of crime that the cooperating agencies consider to be a problem from a multi-agency perspective. This chapter also describes the problems in Vulnerable Areas.

Chapter 3 presents the kind of crime that is considered to pose the most serious threat to society and the method behind this assessment.

Chapter 4 describes the most serious vulnerabilities that have been identified and that are thought to be exploited and to enable crime.

Chapter 5 presents the conclusions drawn on the basis of a description of the current situation, the most serious threats and the most serious vulnerabilities.

Chapter 6 outlines the recommendations that the project has arrived at.



⁸ Complex cybercrime was described in the previous situation report. Since that report was published, a National Cyber Security Centre has been established with the task of preventing, detecting and addressing antagonistic cyber threats against Sweden. For this reason, complex cybercrime has not been included in the situation report for 2021.

2. Serious and organised crime in Sweden



The government agencies involved in the initiative against organised crime encounter crime of varying character, from drugs offences and violence to welfare crime⁹ and various forms of economic crime. This chapter describes the kind of crime that the cooperating agencies deal with and that is considered to be a problem from a multi-agency perspective. This chapter also describes the problems in Vulnerable Areas.

There is no generally established definition of organised crime. Organised crime is multifaceted and this is why there are no simple explanatory models that cover all of its dimensions. In this situation report, crime has been divided into two categories based on its purpose: *financially motivated crime* and *'support' crime*. *Financially motivated crime* refers to crime that generates a direct financial gain, whereas *'support' crime* comprises various tools to enable or protect financially motivated crime.

2.1 Financially motivated crime

Financial gain is one of the most important driving forces behind organised crime and is achieved when criminal actors obtain money in the form of various allowances and benefits, evade taxes and charges or conduct trade in illegal products. Businesses¹⁰ have become important crime instruments enabling organised crime actors to obtain large sums of money, and in some cases they are even a prerequisite for the crime.

Welfare crime – the State as ATM

The welfare system is a lucrative source of income for organised crime. Each year, billions of kronor are paid

out on erroneous grounds. According to the report *Joint measures to ensure correct payments from the welfare system*, it is estimated that somewhere between SEK 11 billion and 27 billion leak from the welfare system each year. These attacks target allowances of different kinds that are paid to companies and private individuals.

In terms of financial benefits linked to the business sector, it is primarily assistance benefits, the state wage guarantee, the state dental care subsidy and various forms of employment support that are targeted. The assistance benefits system is particularly vulnerable to erroneous payments, which are thought to lie somewhere between SEK 2.5 and 4.2 billion per year. The amount resulting from attacks on the state wage guarantee is estimated to be between SEK 300 and 400 million per year. Erroneous payments from the state dental care subsidy and employment support are estimated to amount to some SEK 300 million and SEK 400 million each year respectively. In terms of employment support, new start jobs are thought to be the most vulnerable system.

State assistance benefit is also exploited in combination with Sweden's rules on labour migration. Work permits in the area of personal assistance are systematically exploited for illegal migration, labour exploitation and the 'import' of families with assistance needs¹¹. Links to violent extremism have also been observed.

A temporary state support package was introduced in 2020 to reduce the detrimental effects of the pandemic on society. This support package includes several different benefits concerning the costs of labour, support for short-term work schemes, compensation for sick pay costs and temporary deferrals.

Up until February 2021, more than 89 000 applications had been approved for a total of SEK 35 billion in support for short-term work, and more than SEK 23 billion had been paid up to and including April 2021 for compensation of sick pay costs. Up until November 2020, more than 37 000 applications had resulted in deferrals on the payment of taxes, charges and VAT for a total amount of over SEK 40 billion. There is currently no final data available to show the extent of erroneous payments from the pandemic-related support schemes. However, there are several indications to suggest that this support is being exploited by organised crime. Up to and including May 2021, one third of the actors that the initiative considers to be strategic individuals had links to businesses and organisations that had applied for pandemic-related support.

Benefits that are paid to individuals, such as sick pay, sickness compensation, housing allowance, activity support and maintenance support, are also an important source of income for criminal actors, as they are exploited as a kind of basic income. Similarly, benefits paid by the Swedish Board of Student Finance, the Swedish Pensions Agency and the Swedish Migration Agency are also exploited. This criminal exploitation is enabled by fake documents such as fake doctor's certificates, fake population registration excerpts and sham separations.

It is not possible to draw a direct parallel between erroneous payments from the welfare system and the size of crime proceeds linked to organised crime. However, there are several indications to suggest that organised crime is obtaining large amounts from the welfare system and that international criminal networks that are established in Sweden are behind a considerable part of this.

Undeclared work, low wage solutions and human exploitation

Crime linked to the labour market causes major shortfalls in tax revenue for the public purse and distorts competition. This crime is complex and is made up of various different offences: crimes against work environment rules, accounting and tax legislation, corruption, identity misuse, benefit crime and fraud against benefit systems, and human exploitation (figure 2). To understand the scale and consequences of this kind of crime, the various parts need to be seen from a holistic perspective. The Swedish Tax Agency estimates that income from undeclared work alone amounts to SEK 91 billion per year.



Figure 2. Examples of offences linked to the labour market and that often occur in combination.



⁹ This refers to crime that targets the welfare system and other forms of payments, such as VAT and tax deductions for repair and maintenance services and household services (known as ROT and RUT deductions).

¹⁰ In this situation report, businesses refers to limited companies, limited partnerships, religious associations, foundations and other associations.

¹¹ This 'import' refers to the facilitation of a residence permit for a person with an impairment so that assistance benefits can be claimed for them.



Criminal actors often operate in a grey zone between legal and illegal activities. Low legitimate wages present increasing competition to undeclared wages. The Swedish Tax Agency has also seen examples of incorrect wage earners with a major element of identity fraud and incorrect income information at individual level.

It is primarily foreign labour that is exploited. Wage differences within the Schengen area and freedom of movement in combination with labour migration from third countries mean that there is a ready supply of labour that can be exploited. This exploitation primarily takes place in labour-intensive sectors such as transport, construction, cleaning, restaurants and temporary staffing. In other words, these are sectors that cannot be moved to low-wage countries, meaning that labour is brought into Sweden instead. In a survey carried out by the Swedish Tax Agency, 45 per cent of the transport companies questioned and 43 per cent of the construction companies questioned stated that they were very much subject to competition from companies in the sector that engaged in tax fraud.

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Exploitation of labour takes place in organised forms and there is often a link to international criminal networks that are established in Sweden. One fundamental aspect in human exploitation is that the exploiters often come from the same countries as the people being exploited. The exploiters have already become established in Sweden and use international criminal networks to organise their criminal activities.

'Package tours' are sold, with workers buying their work permits from employers. Once in Sweden, the workers are forced to pay for their work permit through the employer withholding a large proportion of the promised wages. It is sometimes also the case that foreign workers, after arriving in Sweden, are told that their terms of employment have changed. They then find themselves in a situation where they are forced to accept considerably worse terms of employment than had been promised, and the only alternative is to resort to begging or crime, or to lose out entirely on the opportunity to work and earn an income.

When laws and rules are disregarded, competition is distorted, which risks forcing legitimate companies out of business, while workers are forced to work in unsafe conditions for low wages and without the protection of labour law or social security legislation. Legitimate companies can also be forced out of business in connection with public procurement processes. The value of public procurement in Sweden amounts to approximately SEK 700 billion per year. This large sum combined with the large number of suppliers means that public procurement is a risk area.

Extensive evasion of VAT and excise duties

The EU internal market is one of the cornerstones of EU cooperation. However, the regulations intended to promote trade between Member States have created opportunities for extensive crime in the area of VAT (known as MTIC fraud¹²) and excise duties for alcohol, tobacco and mineral oil.

MTIC fraud and excise duty evasion generate very large crime proceeds. Europol estimates, for example, that crime associated with VAT fraud alone results in annual tax evasion to the tune of EUR 60 billion. Since mid-2018, MTIC fraud concerning mobile telephones and telecom services alone has caused VAT losses of around SEK 4.5 billion for the Swedish State. Total tax evasion levels have probably been much higher in the past two years.

Similarly, tax losses in Sweden as a result of excise duty offences are extensive. Untaxed alcohol is thought to generate a tax loss of around SEK 1.7 billion per year. Moreover, it is estimated that half a billion untaxed cigarettes are sold each year in Sweden, resulting in a tax loss for the State of SEK 200 million annually. In parallel with this, the illegal production of waterpipe tobacco in Sweden is thought to have grown considerably, resulting in further tax shortfalls.

Drugs trafficking is a key source of income for organised crime, and information from the encrypted communications service EncroChat has shown that drugs smuggling to Sweden is conducted on an almost industrial scale.

Illegal waste disposal – a lucrative market to the detriment of the environment

Waste is a national and international commodity. Illegal waste disposal is currently considered to be an area of crime that continues undisturbed and where there are major crime proceeds to be gained. The overall assessment is that waste-related crime is seriously underestimated.

By handling waste in a way that is not in line with the existing legislation and by evading taxes and charges, criminal actors obtain major financial advantages. This kind of crime also causes increased costs for the State, which has to pay for the cleaning and restoration of polluted land and water. In a survey of illegal waste transport in 2016, the County Administrative Board of Skåne estimated that approximately 5 per cent of all outgoing lorries (around 889 000 each year) travelling via ports in Police Region Syd (South) were involved in illegal and/or deficient waste transport.

Europol considers that waste disposal and recycling will become key sectors as a result of the various measures being taken in the areas of environment and climate policy – the green transition – and that fraud linked to 'green' investments, energy and certificates will grow. It is also thought that illegal waste disposal will grow as the costs of legal waste disposal increase.

Drugs – a key source of income

Drugs trafficking is a key source of income for organised crime, and information from the encrypted communications service EncroChat has shown that drugs smuggling to Sweden is conducted on an almost industrial scale. It is impossible to estimate the volume of drugs consumed each year on the basis of the material from EncroChat alone. However, there is information to suggest that the Swedish market is larger than previously estimated. Based on this, the Swedish Police Authority has made the assessment that between 100 and 150 tonnes of drugs are smuggled into Sweden each year and that this generates crime proceeds of between SEK 1.8 and 2.8 billion.

The criminal networks are trying to maximise their profits even more by increasing their control over larger parts of the process, from production to sales. There are examples of Swedish actors producing cannabis themselves in Spain to then smuggle the finished product to Sweden themselves for selling.

An important aspect of both the organisation of large-scale drugs smuggling and the violence associated with the drugs trade has proven to be encrypted communication. This has been confirmed not only from the information from EncroChat but also from information from similar services such as Sky ECC and ANOM that the Swedish Police Authority has had access to.

¹² MTIC stands for *Missing Trader Intra Community*.

2.2 'Support' crime

Some of the offences that characterise organised crime are aimed at enabling and supporting other crime. They can therefore be seen as crime instruments or 'support' crime, often with close links to financially motivated crime.

Money laundering – crime proceeds laundered in the legal system

Money laundering is often a prerequisite for being able to handle and make use of crime proceeds. This is not just to turn black money white by transforming it into goods or integrating it into the legal economy. Money laundering may also be carried out to conceal the origin of money or to handle and reinvest crime proceeds in new criminal activities. Crime proceeds are invested and laundered through property investments and the purchase of apartments and apartment rental contracts, for example. Both actual and sham employees of companies are often used as straw men for loans and accounts.

Cash remains very important to the criminal economy. Cash is an important payment method in the drugs trade, undeclared work and trade in work permits, for example.

Banks and financial institutions, including bureaux de change, are the sector considered to be at greatest risk from money laundering. This is because essentially all money has to some extent to pass through the banking system, which is the foundation for financial services. Other high-risk sectors are considered to be the gambling market, trade in goods, company formation agents and business brokers.

Cash remains very important to the criminal economy. Cash is an important payment method in the drugs trade, undeclared work and trade in work permits, for example. The EncroChat material has shown, for example, that bureaux de change have a key function in handling the large amounts turned over by the drugs trade.

A large proportion of this criminal cash is probably reinvested in the parallel cash economy. Money remittance services have an important function in the transfer of cash to the legal financial system, as they offer the possibility to deposit cash in safe boxes to then be placed into bank accounts. The parallel cash economy is therefore dependent on the technical solutions offered by the traditional banks for handling cash. Exposure to criminal actors in the money remittance sector is considered to be relatively high, and organised criminal networks are thought to regularly use money transfers as a way to launder money.

The number of money laundering and commercial money laundering offences¹³ reported has risen considerably in recent years, from just over 6.700 reports in 2019 to around 9.300 in 2020. However, there are more factors that support the theory that money laundering is considerably more widespread than is shown in the statistics.

Legal and illegal income finances terrorism

International experience shows that it does not require a large amount of capital to finance the planning, preparation and execution of a terrorist attack. This means that it is important to prevent even small sums reaching their intended destination.

Money that is suspected of being used to finance terrorism often comes from different sources and can have been acquired legally or illegally. For example, legal income from employment, benefits or the sale of goods, voluntary donations, and services and property can be used as financing. Crime proceeds from tax offences, theft, benefit crime, drugs offences or fraud, for example, may also be used to finance terrorism.

To transfer money from Sweden to terrorist organisations abroad, businesses that are subject to authorisation are exploited for illegal purposes. Banks, credit institutions and payment service providers are mostly used, but so are issuers of electronic money. Sometimes money is also transferred by people and groups without authorisation, known as unregistered money transfer agents, in the form of hawala transactions, for example. Money is also transferred via couriers who physically transport the money to the recipient.



Unlawful pressure – a threat to democratic decision-making processes

Organised crime uses systematic methods to gain advantages. This is done, for example, by obtaining information and inducing people in the exercise of their duties to write (incorrect) certificates and documents that are then used to gain access to financial benefits. These actors also exercise improper or unlawful pressure to influence legal proceedings and try to influence public service employees in order to protect or support criminal activities.

Organised crime exploits the principle of public access to official documents to obtain the personal details of agency employees in order to target them with attempts to exert unlawful pressure.

It is difficult to estimate the scale of unlawful pressure in Sweden. There is probably a dark figure because the tendency to report suspected unlawful pressure varies between societal sectors and professional groups.

Something that is common to many government agencies is that organised crime exploits the principle of public access to official documents to obtain the personal details of agency employees in order to target them with attempts to exert unlawful pressure. This information is used both to make direct threats and to expose people on internet forums, where information may be exposed about a certain person working at a certain agency, for example. However, threats and incitement to commit offences also occur. The identification of agency staff also takes place through social media. This activity, and also the knowledge about this method, may increase the risk of self-censorship and influence the exercise of public authority.

There is currently no overall knowledge about how many cases of unlawful pressure originate from organised crime or from discontented citizens. Government agencies that work within the framework of social insurance and other decisions that benefit individuals (tax issues, benefits and residence permits) report that the unlawful pressure exerted by the public is mainly manifested in the form of threats, violations and suicide threats, whereas organised crime uses other more systematic methods to gain advantages. However, several of the cooperating agencies have reported cases of unlawful pressure that are considered to have a link to organised crime.

¹³ It is also a criminal offence to assist in another person's money laundering, and this is known as commercial money laundering. The basis of a commercial money laundering offence is reprehensible risk-taking. This means that a payment service supplier, for example, must assess each transaction from a money laundering perspective so as not to commit a reprehensible act of risk-taking. It is irrelevant whether or not the money is legitimate or originates from crime.

2.3 Vulnerable Areas and the emergence of parallel societal structures

Since 2015, *Vulnerable Areas* have been a focus for the multi-agency initiative. *Vulnerable Areas* are areas that the Swedish Police Authority considers to be vulnerable on the basis of a number of criteria linked to the level of serious crime and the area's socio-economic situation.

In 2019, 60 areas were considered to be vulnerable, of which 22 were considered particularly vulnerable. The Swedish Police Authority will present a new assessment in 2021. This chapter provides an overall picture of the problems of crime in *Vulnerable Areas* from the perspective of the cooperating agencies.

Open drugs trafficking

Drugs sales are an important source of income for criminal networks in *Vulnerable Areas* and this generally takes place completely out in the open. Drugs sales in *Vulnerable Areas* are often governed by criminal networks seeking to 'own' the location. They take control of the area using various kinds of crime, and many of these networks are multi-criminal as the actors involved are often suspected of crimes such as weapons offences, money laundering and murder or attempted murder. The Swedish National Council for Crime Prevention believes that this is an important change that has taken place in recent years, as it was previously not common for criminal networks to make claims on the control of geographical areas.

In addition, the Swedish Police Authority considers that the actors involved in drugs trafficking have risen increasingly rapidly in their criminal careers, and more actors are thought to have the capacity to handle large drugs consignments. These actors are also geographically mobile. For example, individuals from

Particularly *Vulnerable Areas* have become established in Spain, where they are involved in large-scale drugs smuggling.

These criminal networks use children and young people to run their errands, sell drugs and store money, weapons and drugs, or to carry out serious violent offences. The criminal networks use what on the face of it looks like an attractive lifestyle with money and status symbols, combined with a fear of violence and a sense of having no prospects in *Vulnerable Areas* to attract recruits and enable the growth of these criminal circles.

Shootings and explosions in public spaces

There is a strong link between drugs crime and the use of violence, and the drugs market is probably the most violent market in the illegal economy. In Sweden, serious violence is mainly characterised by shootings and explosions.

Since 2013, there has been an increase in lethal violence in Sweden. This increase is strongly linked to an increase in lethal gun violence with a link to groups based in the suburbs or city centre neighbourhoods that in turn are linked to *Vulnerable Areas*. In relation to the size of the population, there is eight times more lethal violence in criminal conflicts in *Vulnerable Areas* as there is in the rest of the country. A recent report published by the Swedish National Council for Crime Prevention states that the increase in lethal gun violence in Sweden stands out from a European perspective and that no other country in the study has experienced an increase in firearms cases comparable to that in Sweden. A lot of the serious violence in criminal circles is instigated, meaning that the person who carries out

the shooting is often acting on behalf of someone else, and these shootings often take place in public spaces, with the latent risk that innocent bystanders will be injured. The criminal networks generally have easy access to firearms, which enables serious and lethal violence. Moreover, the Swedish Police Authority has seen an increase in geographical mobility among influential actors with a high capacity for violence. Increasing numbers of Swedish conflict actors live abroad, meaning that violent offences within the context of Swedish conflicts sometimes take place in other countries. In recent years, this has meant that violent offences committed in Denmark, Spain and the United Kingdom have been linked to Swedish conflicts. There are also examples of explosions and other threats targeting residents in Sweden because they are family members of parties to a conflict who have moved abroad.

Parallel societal structures thus challenge the Swedish democratic social order, the rule of law and the State's monopoly on violence.

Obstructing the course of justice and unlawful pressure

In *Vulnerable Areas*, there is a concentration of criminal actors with a capacity for violence present in the public sphere. This means that there are major opportunities for criminal actors to use their capacity for violence to exert pressure. Inhabitants of *Vulnerable Areas* often refrain from contributing to police investigations and court cases because of threats or violence.

There have also been cases of criminal actors using their influence to exert unlawful pressure on representatives of government agencies. Police officers, for example, are frequently the targets of unlawful pressure. Unlawful pressure is manifested through threats, organised attacks against police officers to prevent interventions, and attacks on police vehicles and police stations. There are also examples of how actors have used their influence to exert unlawful pressure in connection with a municipality's measures concerning young people or other local decisions. There have also been cases, albeit few, in which pressure has been exerted on political governance, and examples of actors with links to organised crime trying to infiltrate government agencies. In addition, there is information to suggest that certain family- or clan-based networks have increased their attempts to exert pressure on the public sector.

The rule of law is being challenged

Parallel societal structures refers to a state of social order in which consumer demand for goods and services is met by actors other than those that usually provide services in society, such as the administration of justice, security and banking services. Parallel societal structures exist in parallel to the societal system laid down in law and its functions.

The Swedish Police Authority considers that in *Vulnerable Areas* there are local social orders that exist to varying degrees, including alternative financial systems, alternative administration of justice, and other norms than those that exist in Swedish society as a whole. For example, criminal actors and religious leaders have a great deal of influence in these areas. Some criminal actors have the capacity to provide services in the areas of employment, housing, banking, protection and security. These parallel societal structures also include a parallel financial infrastructure.

Ultimately, parallel societal structures create a *society within society* that follows its own norms and rules – beyond the control of the State. Parallel societal structures thus challenge the Swedish democratic social order, the rule of law and the State's monopoly on violence.

Businesses – crime instruments and targets

Another way for criminal actors to obtain local influence in *Vulnerable Areas* is through business activities. Businesses are used to provide work to people living in the areas, and sham employment contracts enable criminal actors to maintain a legal façade. The business is used to launder money that the actors have obtained through criminal activities. By using businesses, influential actors are perceived as being more important actors than the State by those living in the area – this is because the State's local representation is limited.

Criminal actors also target local business operators. The possibility of running a business in these areas is often limited and it is considered difficult to do so without having some kind of relationship with the criminals in the area. There are examples of local business operators being coerced through threats, violence and damage into paying for protection, allowing their premises to be used or in some other way facilitating criminal activities. Repeated damage has resulted in insurance companies setting excess amounts that are far too high, meaning that local businesses are forced to close.



3. The most serious threats



The threats from organised crime vary in character and cause different kinds of negative consequences for society. The cooperating agencies have different missions, areas of responsibility and roles. So offences that are perceived to be very serious by one agency may be considered to be less serious by another. It is therefore important to place crime and its consequences in a society context.

Based on an overall assessment of crime, the National Intelligence Centre considers the most serious threats to be:

- Attacks on the welfare system and the evasion of taxes and charges
- Drugs crime and the serious violence resulting from it
- Parallel societal structures that challenge the rule of law

3.1 Assessment and selection model

The overall threat assessment is based on the following parameters:

1. Targets with high protection value that are damaged as a result of crime
2. The scale, geographical effect and time aspect of crime
3. The initiative's capacity to tackle crime

Targets with high protection value

Targets with high protection value refers to targets linked to the safety and security of individuals, society and the nation. Sweden's security and national interests are affected by a large number of factors. Security for Sweden and its people is not just about addressing military threats or armed attacks; it also includes protection against epidemics, terrorism and organised crime, for example. The national security

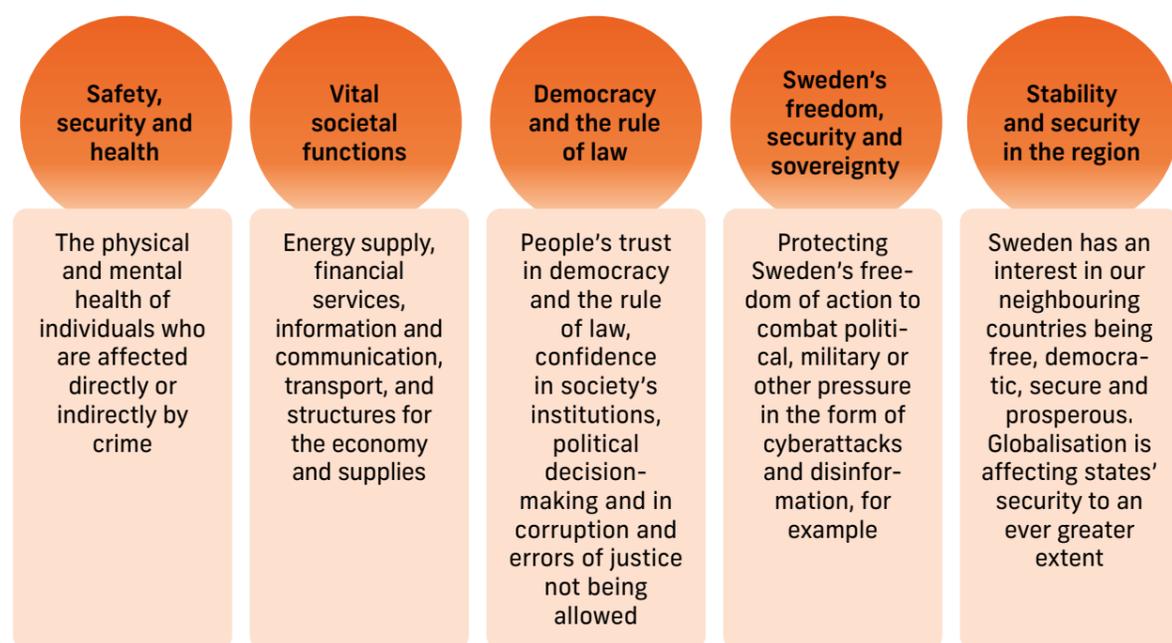


Figure 3. Targets with high protection value that are considered to be relevant on the basis of the initiative's task.

strategy identifies a number of areas (targets with high protection value) that are of particular interest to defend. However, the organised crime that this initiative is working to counter is not considered to have the capacity and intention to directly affect all targets with high protection value. Figure 3 shows the targets with high protection value that are considered relevant on the basis of the initiative's task.¹⁴

Scale, geographical effect and the capacity of the initiative

To assess the scale, quantitative measures such as monetary scope, number of shootings and number of reported crimes have been considered. An estimated dark figure has also been considered. *Geographical effect* refers to the regional, national or international effect of crime. Crime has also been assessed on the basis of its consequences in the *short and long term*. The capacity of the initiative refers to the cooperating agencies' capacity to detect, prevent and combat crime.

3.2 Attacks on the welfare system and the evasion of taxes and charges

Crime leads to losses for the State to the tune of billions of kronor and is considered to threaten *citizens' safety, security and health, vital societal functions and democracy and the rule of law*. Crime is also thought to damage people's confidence in the State and its institutions. Overall, profit-driven crime targeting the State is thought to enable the continued growth of organised crime, both in the form of payments from the welfare system being used as a kind of basic income for criminal actors, and the generation of major crime proceeds as a result of targeted attacks against the welfare system.

As crime targets state finances, it is considered to have a national effect. Attacks against the welfare system have serious consequences in both the short and the long term. In the short term, crime can have serious consequences for individuals, such as people being exploited in the labour market. Crime can also pose a direct threat to individuals' lives and health due to neglect resulting from assistance allowance fraud. In the long term, crime risks leading to worse public services, the ineffective exercise of public authority and damaged confidence in the State, government agencies and the business sector.

The most serious threats to be:

- Attacks on the welfare system and the evasion of taxes and charges
- Drugs crime and the serious violence resulting from it
- Parallel societal structures that challenge the rule of law

The evasion of taxes and charges means that legitimate companies are subjected to unfair competition and risk being forced out of business, which in the long term hampers Sweden's economic growth.

Another serious aspect of this crime is that it is dependent on individuals who, in the exercise of their professions, make government agency decisions and issue certificates and other documents. This means that government agency employees, as well as bank employees, estate agents, lawyers, doctors, accountants and other professions are at risk of being subjected to unlawful pressure aimed at influencing their decision-making.

Based on the cooperating agencies' tasks, role and toolkit, it is considered that they have good chances of combating attacks on the welfare system and crime in the form of the evasion of taxes and charges.

3.3 Drugs crime and serious violence

This kind of crime is considered to pose a serious threat to citizens' *security, safety and health, vital societal functions, democracy and the rule of law and stability and security in the region*. There are clear indications that drugs crime is considerably more widespread than previously estimated and that it is being committed on an almost industrial scale. This crime is cross-border in nature. At the same time, many of the shootings and explosions that have occurred in recent years have been linked to drugs trafficking. These violent acts have also spread beyond Sweden's borders. Violent acts that have occurred in Denmark, Spain and England have been linked to Swedish conflicts.

The serious violence poses a security threat from two different time perspectives. Rapidly occurring attacks in the form of shootings and explosions risk injuring individuals and reducing people's sense of security. In the longer term, the growth of violence may threaten society's ability to maintain order and security and challenge the State's monopoly on violence.

¹⁴ The targets with high protection value 'maintaining and strengthening EU cooperation and integration' and 'promoting a multilateral world order' are not considered relevant to this report.



The State as target and businesses as crime instruments – two distinguishing features

Two distinguishing features of crime against the welfare system and the evasion of taxes and charges are that it targets the State and that businesses play a key role. Businesses are used to give the pretence of legal activities and they are a prerequisite for criminal actors to be able to obtain money, for example through fraudulent assistance allowance claims or attacks against the VAT system.

When businesses are used as crime instruments, this means that this kind of crime is dependent on and largely embedded in the legal sphere of society, as businesses have to be registered. As businesses are used, this crime often takes place in a grey zone between legal and illegal activities.

Figure 4 below illustrates the different types of crime encountered by the initiative, based on the primary purpose of the crime and in which sphere of society it is committed. Certain types of crime yield a direct financial gain, whereas others act more as tools to enable or support the former. For example, straw men, facilitators or other identities are used by criminal actors to distance themselves from the criminal activities.

The National Intelligence Centre has made the assessment that the cooperating agencies have the right conditions to pre-empt, prevent and detect crime primarily committed in the legal sphere of society.

This crime poses a serious threat to security in society, but few agencies within the initiative have the task and tools to combat drugs crime and violent crime. On the contrary, too great a focus on the immediate fight against local criminal networks, drugs, weapons and violence is threatening to overshadow other efforts within the initiative to combat serious crime that is a threat to society. However, several of the cooperating agencies have the capacity to tackle/make more difficult the handling of money and the laundering of crime proceeds generated by drugs crime. By strengthening its collective knowledge about crime proceeds and how they are handled, the initiative could become more effective in combating profit-driven crime and in doing so combat drugs crime.

Parallel societal structures are therefore a threat in that they challenge the Swedish democratic social order and undermine the State's monopoly on violence. The nature and concentration of crime in these areas risks seriously damaging *citizens' safety, security and health, vital societal functions and democracy and the rule of law*. This development is contributing further to the growth of criminal circles and risks eroding local businesses.

Two distinguishing features of crime against the welfare system and the evasion of taxes and charges are that it targets the State and that businesses play a key role.

3.4 Parallel societal structures – a threat to the rule of law

The emergence of parallel societal structures is primarily linked to what the Swedish Police Authority has termed Vulnerable Areas.¹⁵ This crime is largely characterised by drugs trafficking and violence, and there is a widespread culture of silence with few citizens daring to report crimes or contribute to police investigations. The Swedish Police Authority considers that in Vulnerable Areas there are local social orders that exist to varying degrees, including alternative financial systems, alternative administration of justice, and other norms than those that exist in Swedish society as a whole.

The National Intelligence Centre considers that the initiative – on the basis of the agencies' tasks – primarily has the capacity to detect, prevent and combat crime in Vulnerable Areas that targets the State and exploits businesses as crime instruments. There are also good prospects for combating drugs crime by identifying businesses that are used to handle and make use of crime proceeds.

¹⁵ However, these structures are not just emerging in Vulnerable Areas, they can also be seen as a phenomenon that is having an effect at national level.

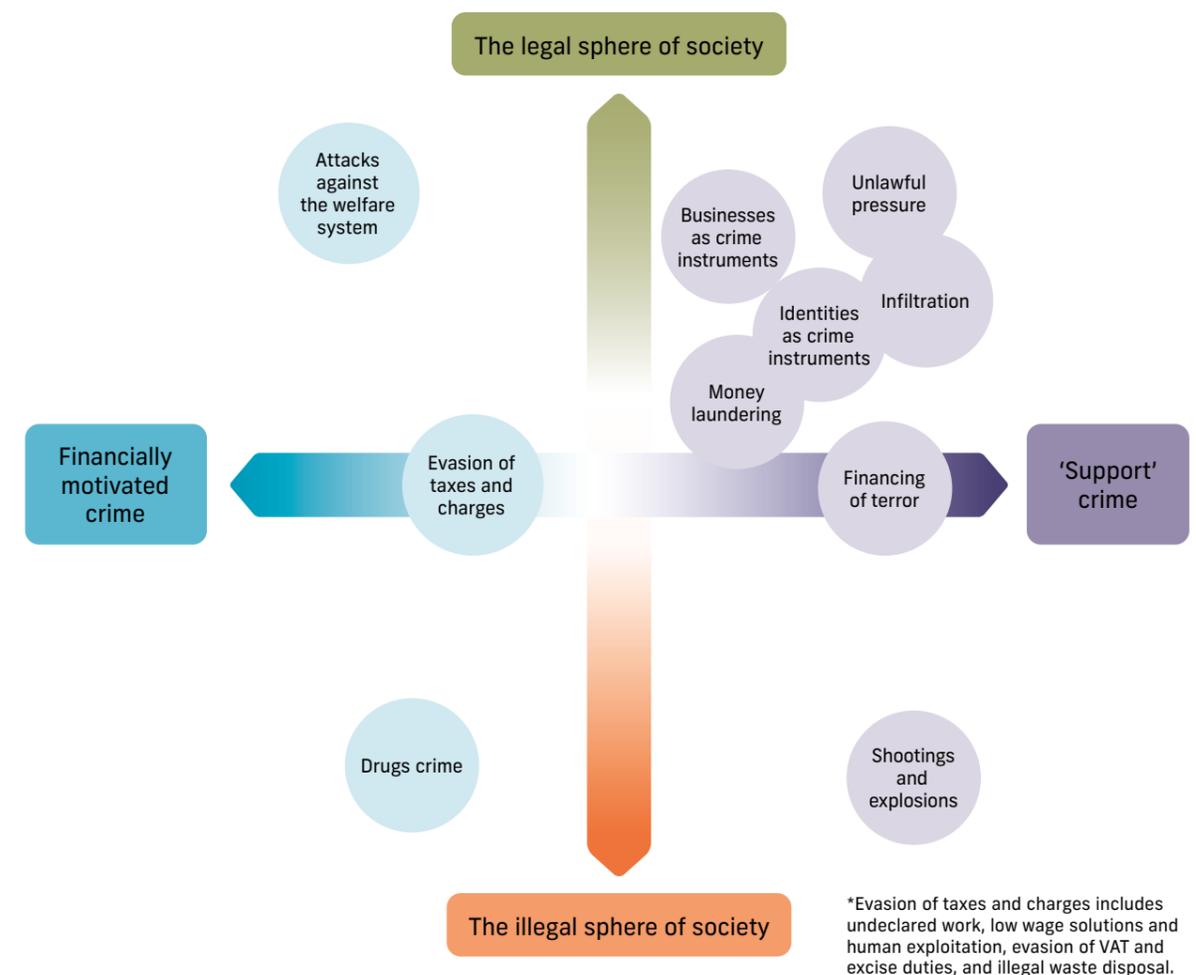


Figure 4. Interpretation of the underlying purpose of crime and in which sphere of society it is primarily committed.

4. The most serious vulnerabilities that are exploited



Actors in organised crime exploit shortcomings and limitations in society to commit crime. This chapter looks at the vulnerabilities that are considered to be the most serious. These vulnerabilities were identified in connection with the collection and processing of threats. The vulnerabilities identified were then grouped according to content and prevalence. To identify the most serious vulnerabilities, special consideration was given to whether they appear in several areas and thus represent a common denominator.

The most serious vulnerabilities that are exploited can be divided into five categories:

- Anonymity in the legal sphere of society
- Trust-based systems in combination with inadequate control mechanisms
- Government agencies' shared responsibility gives rise to loopholes
- Corruption, infiltration and unlawful pressure in the legal sphere of society
- National law enforcement in the area of cross-border crime.

4.1 Anonymity in the legal sphere of society

Businesses, straw men and identities are exploited to commit crime. In Sweden, the exercise of public authority is based on the principle that individuals and businesses can be identified. The fact that individuals and businesses can be identified helps to ensure that taxes can be levied, the right benefits are paid and people in Sweden have the legal right to be here. However, this basic premise has been set aside through the emergence of a *'fictitious world'*. Quite simply, businesses, transactions and individuals are not what or who they claim to be.

Businesses are a key component that is used systematically to commit crime. The single largest payments from the welfare system go to businesses. It is through businesses that taxes and charges for work or for goods subject to excise duties can be evaded. A business can be used to bring in labour from a third country. Businesses are a prerequisite for attacking the VAT system. Similarly, businesses are used to varying extents for the smuggling, transportation and storage of drugs. It is also through businesses that criminal actors can obtain explosives on the legal market.

It is common for legal and illegal activities to be combined behind the business façade, making it more difficult to detect and investigate crime. By using straw men and facilitators, and by exploiting identities, the operators behind the businesses are able to distance themselves from the criminal activity. Personal identity numbers, coordination numbers and electronic IDs are used to commit crime. Paradoxically, society's demands in terms of identification lead to greater anonymity.

The exploitation of identities is possible partly because identification takes place using digital aids, without any physical meetings. Government agencies are not able to check whether it is the correct person using the electronic ID. The person whose identity is being used may even be deceased. The identities that are exploited with the appropriate electronic ID are also used as account straw men to make it more difficult to track the laundering of crime proceeds.

The level of checks carried out when issuing personal identity numbers and coordination numbers is considered to be too low. This lack of control risks resulting in personal identity numbers and coordination numbers being issued on erroneous grounds; individuals can obtain several identities in Sweden, and straw men are registered on company boards. This lack of initial control enables several stages of crime.



Personal identity numbers, coordination numbers and electronic IDs are used to commit crime. Paradoxically, society's demands in terms of identification lead to greater anonymity.

4.2 Trust-based systems in combination with inadequate existing control mechanisms

The Swedish system of regulations is based on a society in which most people want to do the right thing; in other words, we have a trust-based system. This is exploited by criminals to commit crime. Several of the agencies in the initiative have the task of providing service and support to individuals. Moreover, the agencies' service mission means that services should be easily accessible and that benefits should be paid on time.

There are many examples of how the actual design of the system is based on trust. One is that government agencies often base their assessment on information provided by the applicant themselves when paying benefits to individuals. The design of the state dental care subsidy is another example of a trust-based system. Reports from care providers come in digitally and decisions about subsidies are in

principle always taken automatically. In addition, payments from the welfare system are often made *before* any investigation has been carried out, so it can be difficult to demand repayment.

Besides government agencies' service mission, many agencies lack adequate existing control mechanisms of various kinds. In some cases this might be due to limitations in the legislation, control routines or the agencies' IT environment and structure. For example, the Swedish Social Insurance Agency has limited possibilities to check that assistance has actually been given to the extent claimed. Nor are there any sanctions in the form of benefit blocks for individuals who have committed systematic benefit fraud. In some cases, the Swedish Public Employment Service has limited possibilities to take action when irregularities are suspected or when it is known that actors have abused the system previously. Similarly, the Swedish Tax Agency has no way of making risk-based selections concerning the population register. Furthermore, the possibility to identify false documents that are received is limited by how the documents are stored.

The large quantities of legal goods imported into and exported out of the country means that existing control mechanisms are inadequate. This makes it difficult to detect when cash and illegal goods such as drugs, weapons and illegal waste are being smuggled out of the country. The possibility to control cross-border road transport is made more difficult because of



the combination of major flows of traffic and the lack of resources and aids – one example being the lack of a permanent scanner at the Öresund Bridge in Malmö. The duty of confidentiality¹⁶ for staff working for the Swedish postal service prevents delivery men and women from informing the law enforcement agencies about parcels that they suspect may contain drugs or other illegal goods.

The dwindling and increasingly controlled handling of cash in the banking system has led to the increased exploitation of cash-intensive businesses and bureaux de change, where inadequate control mechanisms make it easier to handle crime proceeds. This is particularly the case when it comes to drugs-related crime. The possibilities for government agencies to effectively combat drugs crime and serious violence are made more difficult by the penalty ‘discount’ given to young offenders, as organised crime uses children in their young teens as drug dealers. Similarly, the penalty value in combination with difficulties proving offences leads to crimes not being investigated. In addition, resource-intensive legal proceedings are a risk in that certain cases are given lower priority for the benefit of other law enforcement activities.

4.3 Government agencies’ shared responsibility gives rise to loopholes

Organised crime exploits loopholes that arise when there is a shared responsibility between government agencies involved in control and supervision and those that pay benefits. Information exchange and collaboration are limited by secrecy rules, making it difficult for some government agencies to detect crime by themselves. The fact that agencies have limited possibilities to run data against data held in other agencies’ databases makes it more difficult to pre-empt, prevent and detect welfare crime, fraud and various forms of financial crime. It also makes it more difficult to identify vulnerabilities in the existing systems and regulations.

Government agencies base their processing on the information contained in the population register and control statements. At the same time, internal and external secrecy prevent checks being made of what the original decision was based on. Crime related to employment, such as tax crime in the form of undeclared labour, human exploitation and the disregard of work environment rules, is made possible by the fact that the responsibility for supervision is shared between different government agencies, making it difficult to take a holistic perspective.

The current system for bankruptcies and reconstructions is yet another example of a process involving many different actors. For example, there is no government agency that has chief responsibility for the insolvency process, which means that there is no overview, insight or detailed knowledge to prevent misuse and crime.

Shared responsibility and lack of insight also enable money laundering and the financing of terror. Government agencies are often dependent on the knowledge about actors shared by the Swedish Security Service, for example, in order to see that the part of the process they are examining is a stage in the financing of terror. Detecting the financing of terror is also made more difficult because it is hard to distinguish the financing of terror from other criminal activities, and because this kind of crime makes use of legal activities.

4.4 Corruption, infiltration and unlawful pressure in the legal sphere of society

A large proportion of the crime described in this situation report is committed in the legal sphere of society and is therefore dependent on government agency decisions, various forms of certificates and information that is classified as secret, for example. Government agencies, businesses and the banking sector are therefore particularly exposed to corruption attempts, infiltration and unlawful pressure with the aim of obtaining information, influencing a decision or making use of crime proceeds.

When it comes to handling crime proceeds, bank employees play an important role in loan-based schemes for money laundering as they grant loans and approve false documents. Other professional groups, such as estate agents and accountants, can also facilitate crimes such as money laundering and are therefore at risk of attempts to exert pressure on them.

Several cases in which public sector officials have been guilty of complicity in crime or favoured certain individuals were probably the result of unlawful pressure. The occurrence of this kind of crime shows the importance of strengthening security awareness, employee protection and control systems at government agencies and in the business sector in order to combat both deliberate and inadvertent facilitation.

The digitalisation of both society and government agencies has particularly increased the need for IT security. One aspect of more working from home in

both the private and public sector, not least in recent years, is that it has become clear that there is a need for greater security awareness even outside of the traditional office environment.

Government agencies, businesses and the banking sector are therefore particularly exposed to corruption attempts, infiltration and unlawful pressure with the aim of obtaining information, influencing a decision or making use of crime proceeds.

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4.5 National law enforcement in the area of cross-border crime

Organised crime is becoming increasingly international in nature. Europol estimates that over 180 nationalities are involved in organised crime in the EU, and that 65 per cent of criminal networks are multinational. Europol estimates that almost 70 per cent of criminal networks are active in more than three countries.

Yet controls and legislation are still primarily a national matter. Crime is often linked to the freedom of movement in the internal market, which enables legal and illegal flows of people, goods and capital across national borders.

The international dimension is manifested in several ways. The absence of border controls in the internal market is exploited for drugs trafficking, for example. Drugs are smuggled into Sweden from ports in Europe where the illegal flow is masked by the legal flow of goods. Freedom of movement for businesses is also exploited to evade taxes in Sweden. The current system for handling VAT in internal EU trade makes it possible to acquire VAT-exempt goods, which are used to commit MTIC fraud. Excise duty crime exploits loopholes in the legal handling and the vulnerabilities present in the EMCS¹⁷ system.

¹⁶ In April 2021, the report entitled ‘Increased possibilities to prevent illegal trade via post’ (SOU 2021:29) was presented to the Government. The inquiry proposed, among other things, the introduction of a new regulation in the Postal Services Act that gives postal actors the possibility of breaking, at their own initiative, their duty of confidentiality as laid down in the Postal Services Act in order to provide information concerning suspected crime to a law enforcement agency.

¹⁷ EMCS (Excise Movement and Control System) is used for all movement of alcohol and tobacco products under excise duty suspension. This service is also used for the movement of energy products under excise duty suspension for cross-border transport and from the place of import.

5. Conclusions



The threat from organised crime varies in character and causes different kinds of negative consequences for society. Based on the damage caused by this crime to targets with a high protection value, in combination with scale, geographical effect and time aspects, the most serious threats are considered to be *attacks on the welfare system and crime in the form of the evasion of taxes and charges, drugs crime and the serious violence resulting from it, and the emergence of parallel societal structures.*

Financial gain is one of the most important driving forces behind organised crime. Attacks on the welfare system and crime in the form of the evasion of taxes and charges result each year in losses for the State to the tune of billions of kronor. Ultimately, this risk is leading to worse public services and damaging confidence in the State, government agencies and the business sector.

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Based on the initiative’s capacity to detect and combat crime, priority should be given to attacks on the welfare system and the evasion of taxes and charges, and the problems that arise as a result of the emergence of parallel societal structures (Vulnerable Areas). These threats affect key targets with high protection value, such as *citizens’ safety, security and health.* Crime also has consequences for the State’s ability to maintain *vital societal functions,* and people’s trust in *democratic processes and the rule of law* is eroded.

The most serious vulnerabilities that are exploited can be divided into five categories. *Anonymity in the legal sphere of society:* businesses, straw men and identities are exploited by criminal actors as crime instruments, enabling criminal operators to distance themselves from crime. The government agencies’ *trust-based systems in combination with inadequate control mechanisms* are exploited for criminal purposes and government agencies’ *shared responsibility* makes detection more difficult. *Corruption, infiltration and unlawful pressure* targeting representatives of government agencies, businesses and the banking sector contribute to room for manoeuvre for organised crime actors. The occurrence of this kind of crime shows the importance of strengthening security awareness, employee protection and control systems both at government agencies and in the business sector. *Cross-border crime* continues to have a major impact on organised crime in Sweden and the ability of government agencies to join forces to combat it. To protect freedom of movement, Sweden’s borders need to be protected from systematic exploitation by criminal actors.

One of the most obvious changes since the last situation report is that the scale of the drugs market in Sweden and its links to increasing serious violence were underestimated. Parallel to these changes, welfare crime and business-related crime remain widespread. Both in Sweden and in Europe, an increase has been observed in problems linked to the labour market, with the widespread exploitation of foreign labour and an increase in crime linked to waste disposal. Both business-related crime and the exploitation of foreign labour can often be linked to international criminal networks that are established in Sweden.

Drugs crime and serious violence are serious threats to security in society. Few of the cooperating agencies have the immediate task of combating criminal networks, drugs crime, weapons crime and violence. Within the initiative there is instead a stronger capacity to tackle/make more difficult the handling of money and the laundering of crime

proceeds generated by drugs crime, as well as to work to ensure that businesses are not used as crime instruments. It is essential that the initiative focuses on serious crime that threatens society and its systems, and that more agencies can successfully combat through joint efforts. Tackling crime proceeds also prevents future criminal investments and criminal income, which in turn combats the growth of organised crime.

Two distinguishing features of the organised crime encountered by the initiative are that it targets the State and that businesses play a key role. As businesses are used as crime instruments, this crime is more embedded in the legal sphere of society than drugs

crime for example. The fact that organised crime has the capacity to use businesses as crime instruments and act within the legal sphere of society is considered to be particularly serious.

Two distinguishing features of the organised crime encountered by the initiative are that it targets the State and that businesses play a key role.



6. Recommendations



The purpose of the multi-agency situation report is to act as an overarching strategic direction document and provide background material for setting priorities for multi-agency intelligence work against organised crime. The recommendations have both a reductive and a developmental character, and they concern areas in which the initiative is considered to have concrete capacity to take successful action.

6.1 Prioritise profit-driven crime in the legal sphere of society

The initiative's prospects for combating are most favourable when several government agencies have the possibility to take action together. Profit-driven crime targeting the State generates major crime proceeds for organised crime. Profit-driven crime that targets the State should therefore be given priority.

As part of this prioritisation, knowledge about crime proceeds should be improved. Questions concerning the extent to which state payments finance organised crime and how crime proceeds are turned over in criminal circles are key to multi-agency work.

One common denominator for profit-driven crime targeting the State is the use of businesses. Before a business can be exploited as a crime instrument, it has to be registered. Businesses are therefore exposed, as they make a mark in several of the cooperating agencies' databases. Government agencies' joint information about businesses enables a '360-degree analysis', which increases the chances of identifying deviations and suspected criminal activity.

By strengthening overall knowledge about crime proceeds and coordinating and strengthening their tools, government agencies can more effectively combat profit-driven crime.

To strengthen the initiative's capacity, the National Intelligence Centre proposes the following:

- Gain an overview of how crime proceeds are handled in order to prevent criminal actors from making use of crime proceeds
- Develop methods to detect and prevent attacks against government agencies that pay benefits
- Develop a joint risk profile¹⁸ to detect businesses and other platforms that are used as crime instruments

This should be coordinated with other multi-agency initiatives, such as the MUR initiative on government agencies' resilience against welfare fraud.¹⁹ The proposed strategic direction also means that cooperation with other agencies in the network and private actors may need to be reviewed and developed further.

6.2 Produce a multi-agency strategy for work in Vulnerable Areas

Since 2015, *Vulnerable Areas* have been a focus for the multi-agency initiative. The multi-agency initiative still lacks a coherent multi-agency picture of the problems concerning crime in Vulnerable Areas. Working on the basis of a multi-agency picture of the problems creates the right conditions to be able to use more tools and thus achieve a broader impact in law enforcement work.

Based on the above, the National Intelligence Centre proposes that the initiative should:

- Produce a multi-agency picture of the problems that exist primarily in Particularly Vulnerable Areas.
- Produce a multi-agency strategy with action plans so as to conduct structured, multi-agency law enforcement work over time, primarily with regard to Particularly Vulnerable Areas.



The basic premise should be that this work proceeds from the local police districts' situational pictures and the cooperating agencies' database information and intelligence.

The organised crime encountered by the initiative is cross-border, multifaceted and highly adaptive in terms of capacity. This crime is characterised by the use of businesses and other platforms as crime instruments, with the State as the target. To counter this growth, measures are needed that have a broad and long-term impact.

6.3 Increase the initiative's analytical capacity

Threat reduction is closely linked to the initiative's focus and capacity. Crime is not static; new methods, approaches and areas of crime are constantly being developed.

The most recent multi-agency situational pictures reveal difficulties in identifying minor changes in the large amount of material that is gathered on overall organised crime in Sweden. This is probably due to the fact that the available data is not sufficiently detailed

to be able to identify minor deviations. It is difficult to determine whether deviations in the material are down to differences in measurement, a changed focus on the part of government agencies or actual changes in crime.

Based on the above, the National Intelligence Centre proposes that the initiative should:

- Conduct continuous collection and analysis assignments at regional and national level.
- Guarantee analysis resources at regional and national level.
- Take measures to improve the capacity for processing large amounts of data and quantitative material, such as the analysis of accounts, networks and communications.

6.4 Review of the focus on strategic individuals

The organised crime encountered by the initiative is cross-border, multifaceted and highly adaptive in terms of capacity. This crime is characterised by the use of businesses and other platforms as crime instruments, with the State as the target. To counter this growth, measures are needed that have a broad and long-term impact.

Based on the above, the National Intelligence Centre proposes that the initiative should:

- Conduct a review and possibly revise the focus on strategic individuals so that it is based to a greater extent on phenomena, threats and vulnerabilities rather than individuals.

¹⁸ Individual risk indicators that, taken together, suggest that there are suspected deviations.

¹⁹ MUR, Motståndskraft hos Utbetalande och Rättsvårdande myndigheter, (Resilience at government agencies that pay benefits and law enforcement agencies) is a multi-agency initiative that has been under way since 2019 with the aim of reducing welfare fraud and misuse of the welfare system over the long term.



 **ARBETSFÖRMEDLINGEN**
SWEDISH PUBLIC EMPLOYMENT SERVICE

 Swedish Prison
and Probation Service


Migrationsverket
Swedish Migration Agency


Säkerhetspolisen
Swedish Security Service

 **Ekobrottsmyndigheten**
Swedish Economic Crime Authority

 **Kronofogden**
Swedish Enforcement Authority

 **Polisen**
Swedish Police

 **Swedish
Customs**

 **Försäkringskassan**

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Swedish Prosecution Authority