



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 11 May 2000**

**7728/2/00**

**DOCUMENT PARTIALLY  
ACCESSIBLE TO THE PUBLIC  
(XX.06.2014)**

**REV 2  
LIMITE**

**EUROPOL 10**

**“A” ITEM NOTE**

---

from : COREPER  
to : Council

---

Subject : Europol Annual Report 1999

---

1. Article 28, paragraph 10 of the Europol Convention reads :

*“The Management Board shall adopt unanimously each year :*

*(1) a general report on Europol’s activities during the previous year;*

*(2) a report on Europol’s future activities taking into account Member States’ operational requirements and budgetary and staffing implications for Europol.*

*These reports shall be submitted to the Council in accordance with the procedure laid down in Title VI of the Treaty on European Union..”*

2. The Europol Annual report 1999 was discussed at the meeting of the Management Board on 22 February 2000. At the meeting the delegations were invited to supply their written comments.

3. At the meeting of the Management Board on 4 & 5 April 2000 a revision of the Annual report 1999 was presented. A further revised version of this report was adopted by the Management Board subject to a reservation from the Dutch delegation.
4. The Annual Report 1999 has therefore unanimously been adopted by the Management Board in accordance with the Europol Convention Article 28 (10) and is submitted to the Council in accordance with the procedure laid down in title VI of the Treaty on European Union.
5. At its meeting of 18 April 2000 the Article 36 Committee reached full agreement on the text of the Annual report 1999 as contained in Annex.
6. During the meeting of the Article 36 Committee the Netherlands delegation upheld however its reservation regarding the procedure to be followed in respect to the Europol Annual report. The Netherlands delegation stated that Council should approve the Europol Annual report and not simply take note of it.
7. At its meeting of 10 May 2000 COREPER reached an agreement in respect to procedural questions outlined in the previous point. All delegations agreed that Council should take note of and endorse the Europol Annual Report.
8. On this basis Council is requested to take note of and endorse the Europol Annual Report 1999 as contained in Annex.



## Annual Report 1999

# Contents

Foreword .....	6
1. Introduction .....	8
2. Europol Management Board.....	9
3. Financial Controller .....	10
4. Intelligence & Specialised knowledge .....	11
4.1. Intelligence Model and working methods.....	11
4.2. Drugs .....	11
4.3. Illegal Immigration.....	13
4.4. Trafficking in Human Beings.....	14
4.5. Illicit Trafficking of Nuclear and Radioactive Substances .....	15
4.6. Illicit Vehicle Trafficking .....	15
4.7. Financial Crime .....	16
4.7.1. Money Laundering.....	16
4.7.2. Forgery of Money and other means of payment.....	17
4.8. Terrorism.....	17
4.9. Projects on organised crime in and from other regions.....	18
5. Intelligence Analysis .....	19
5.1. Crime Analysis.....	19
5.1.1. Operational Analysis .....	19
5.1.2. Strategic Analysis .....	21
5.1.3. Publications.....	21
5.2. Open Sources and Documentation .....	21
5.3. Centres of Excellence.....	22
6. Investigation Support .....	22
6.1. Information exchange.....	22
6.1.1. General Information Flow .....	22
6.1.2. Controlled Deliveries.....	24
6.2. Development and co-operation with third states & non-European Union international organisations .....	25
6.3. Operational Support and Technical Support .....	26

7.	Information & Communications Technology.....	26
7.1.	Encrypted Telecommunication Links with the Member States .....	26
7.2.	Information System .....	27
7.3.	Liaison System .....	27
7.4.	Security Manual implementation .....	27
7.5.	Software encryption .....	28
7.6.	In-house applications .....	28
7.7.	Preparatory work on the Euro and related to the area of combating certain crimes committed in the course of terrorist activities.....	28
7.8.	Research: Language Engineering Projects.....	28
8.	General Administration.....	29
8.1.	Human Resources.....	29
8.1.1.	Personnel.....	29
8.1.2.	Training.....	29
8.2.	Finance .....	31
8.3.	General Services.....	33
8.4.	Meetings and Visits.....	33
8.5.	Security .....	33
9.	Directorate Support .....	34
9.1.	Business Planning .....	34
9.2.	Legal Affairs .....	34
9.3.	Public Relations .....	35
10.	Conclusion .....	35

## Foreword

This report provides an overview of the work that took place in 1999 within the framework of Europol and Europol Drugs Unit (EDU). In 1999 Europol was able fully to take up its activities from the legal point of view but in practice the additionally necessary legal, technical and methodological instruments had, and in some cases still have to be created, refined and implemented. Further endeavours are needed in order to carry out all the operational functions entrusted to Europol.

During the transition period from Europol Drugs Unit contracts had to be drawn up and signed, as the seconded personnel transferred to Europol staff and became subject to its regulations. Additional staff had to be hired from some thirty services within the fifteen Member States. Originating from different cultures and working environments, they had to be integrated into a common institutional and legal framework. The work involved in this exercise cannot be underestimated, bearing in mind that new working methods had to be introduced together with administrative support. A good example is provided by the Analysis Work Files. Whereas at national level these matters have been developed and implemented over many years, Europol was expected to be ready within a matter of months.

The European Union Member States' law enforcement agencies and Europol have faced demanding professional challenges. Some of these arose from the unstable situation in the Balkans that has affected Europe in many ways, not least with regard to criminality. The threats to our society from drugs and illegal immigration controlled by organised crime have been given priority in our work. The development of information and communication technology has also required our attention during this year and will continue to do so.

The consequences of the Amsterdam Treaty, especially of Article 30, and more recently the Tampere Special Council decisions will undoubtedly create great challenges for all parties involved in the development of law enforcement activities within the framework of Europol. This involves a tremendous amount of hard work before the objectives are met. Such preparatory work took place already in 1999 and bound considerable resources.

Within the European Union framework high priority has been given to the enlargement process and the further development of its international connections, which also applies to Europol. Within Europol already in 1999 a great deal of work has been dedicated to prepare for the co-operation with third states, especially applicant countries and other organisations such as ICPO-Interpol and World Customs Organisation (WCO). It is regrettable that the European Union Council has not found itself able to give effect to these aspirations. Europol continued to strengthen its common crime-fighting efforts with European Union institutions such as the European Commission, Office pour la Lutte Anti-Fraude (OLAF), European Monitoring Centre on Drugs and Drug Addiction (EMCDDA) and other relevant bodies.

Bearing all this in mind it is obvious that the year 1999 has been particularly meaningful for Europol from the historical point of view, as this has been the year when the European Union got its common law enforcement body. For the staff members and others working closely with Europol, this has been a very demanding year, which required a high level of commitment. We have many objectives ahead of us and it is of utmost importance that the level of motivation remains as high as it is now among the individuals working for this common goal.

**The Director of Europol**  
**Jürgen Storbeck**

## 1. Introduction

This report is elaborated in accordance with Article 28 of the Europol Convention, which invites the Management Board to adopt unanimously each year a general report on Europol's activities during the previous year. The report will then be submitted to the Council of Ministers of Home Affairs and Justice in accordance with the procedure laid down in Title VI of the Treaty of the European Union.

The report also describes some of the activities undertaken during the year by the Management Board, the Joint Supervisory Body and the Financial Controller.

In the Europol Work Programme for 1999 some main developments were outlined, namely:

- The creation of a department for intelligence and specialist knowledge;
- To implement the rules for relationships with third countries and organisations;
- To start activities in supporting Member States law enforcement agencies including new areas of criminality, as Europol's competencies were scheduled to be extended to include forgery of money and means of payment and to terrorism;
- To assist and participate in, as appropriate, European Union activities;
- To refine the business planning procedures.

At the end of the year 1999 the status of these main developments can be described briefly as follows.

The department for intelligence and specialist knowledge was created. The Intelligence Model was further elaborated. A number of operational meetings were also facilitated.

The Co-operation Unit was created to deal with co-operation with third states and organisations. Initial work methods were elaborated and first contacts with third states and organisations took place. However, for reasons beyond Europol's influence, at the end of the year the official start of negotiations had to be postponed to 2000.

To prevent and combat crimes in the course of terrorist activities was introduced within the Europol field of activities. Europol was able to offer its first services in this field. This also applies to the work done in the field of forgery of money, particularly when related to the Euro currency. Europol's mandate was supplemented to include combating criminality related to child pornography.

During 1999 a considerable amount of resources were devoted to provide assistance and to take part in various programmes of the European Union mainly for providing training.

The business planning procedure was refined and enhanced but at the same time it has been recognised that it is necessary to continually evaluate all procedures linked to this process in order to maintain the momentum for improvement.

## **2. Europol Management Board**

During the German Presidency four meetings of the Europol Management Board took place finalising, among other things, the necessary preparatory work in order to allow Europol to fully to take up its activities - e.g. the rules concerning the transmission of personal data by Europol to third states and third bodies, the Europol Financial Regulations, the Europol Security Manual, a Supplementary and Amended Europol Budget 1999.

In addition, the extension of the Europol mandate to cover counterfeiting of currency and other means of payment and crimes committed in the course of terrorist activities were prepared by the Management Board.

The Secretariat of the Management Board was formally established on 1 July 1999 with the start of the activities of Europol.

During the Finnish Presidency three meetings of the Europol Management Board took place. The Management Board has either adopted or prepared relevant Council decisions in relation to matters such as the establishment of seven Europol Analysis Work Files as a part of the new procedure, the start of Europol's negotiations with third states and third bodies in order to establish formal agreements, the Europol Work Programme 2000, the Europol Budget 2000, the Five Year Business Plan and the Five Year Financing Plan for 2000-2004.

In view of the difficult discussions in respect of the Europol Budget 2000 the Management Board furthermore decided to initiate an evaluation focused on the planning and budget processes leading to Europol's presentation of the draft budget 2001 and following draft budgets.

In addition there were several meetings of the Europol Computer System Project Board and workshops to consider in detail the requirement of the Information System and the plans for a new telecommunication infrastructure. Resulting from the very substantial preparatory work by these bodies the Management Board selected in November the consortium to finalise the specifications and to deliver the Europol Information System.

### **3. Financial Controller**

The Europol Financial Controller started his activities on 1 July 1999.

The most important activities of the Financial Controller were concentrated on the monitoring of the commitment and reimbursement of expenditure. Beside that, the Financial Controller drafted a report on contracts and the management of contracts. Furthermore, the Financial Controller gave advice to the evaluation team.

## **4. Intelligence & Specialised knowledge**

### **4.1 Intelligence Model and working methods**

Related to the external and internal information and intelligence flow within the framework of Europol and its partners, the Intelligence Model aims to establish a structured way of covering issues to support investigations and operations and especially the analytical work in Analysis Work Files.

The work on parts of the Model, describing the Intelligence concept, definitions, the overall process, outputs, inputs, function and structures plus role of participants outlined in six scenarios has been finalised.

Work was carried out in order to have a better understanding of the information and intelligence flow in the Europol National Units resulting in a document describing the structures and practical use of information channels within the Member States, the role of the Europol National Units as focal point for 'Routing and Handling of Information'.

An internal study was conducted on Member States practice and restrictions on the usage of data and a special meeting was held for 'Legal Experts and law enforcement intelligence experts'.

### **4.2 Drugs**

Drug trafficking and the production of synthetic drugs are a major concern for all Member States.

In spite of the fact that within the field of international law enforcement activities the operational environment is changing fast and new priorities are developing, drug related crimes have always had and most likely will keep top priority. This applies also to Europol and drug related criminality remains a main area of attention. This is shown by the fact that 58% of the total enquiries dealt with by the Europol Information Exchange System relates to drugs. It worthy of note that in many cases the information exchange led to arrests or other appropriate law enforcement interventions.

During 1999, the Drugs Group gradually moved from strategic to operational activities. Prioritisation of activities was mainly based on the 5<sup>th</sup> European Situation Report on drugs production and drugs trafficking.

Three operational projects dealt with Latin American criminal groups, their smuggling routes and modus operandi, as well as links between different groups and criminal investigations. This has led to an upgrade of the quality of information and analysis, which may have an operational impact within the participant Member States. In the course of the year, two of the three projects became subject of Analysis Work Files. The analytical work has enabled linking various pieces of information together and giving a better picture of operational networks active from Latin America towards Europe.

Arising from strategic work, an investigation into a major Turkish drug trafficking group was initiated by one Member State in co-operation with other Member States and Europol. As an example of another form of operational activity, it should be mentioned that Europol participated in a surveillance operation initiated by the Customs Co-operation Working Party, which targeted heroin trafficking along the Balkan routes.

The 1997 strategic report on ethnic Albanian-Yugoslav criminal groups was updated. Operational activities against such groups by law enforcement agencies in the Member States continued, involving the Europol Liaison Officers of participating Member States, the Analysis Unit and the Drugs Group.

In the work on a strategic overview of the impact on the European Union of ethnic Chinese criminal groups, some preliminary steps have been taken, to be followed by operational initiatives in 2000.

Information on seizures of ecstasy pills was collected and will be further elaborated within the framework of the so-called Ecstasy Logo Database. An operational project was initiated by one Member State, involving several others and Europol. Several seizures of Ecstasy tablets could be interconnected. A new version of the Ecstasy-catalogue was produced in hard copy and on CD-ROM.

In the framework of the Joint Action on the Early Warning System on new synthetic drugs, the Drugs Group participated in the collection, analysis and dissemination of information and a risk assessment on two substances: MBDB and 4-MTA.

The manual on the production of synthetic drugs was updated. The drafting of a manual to assist law enforcement agencies in actions against illicit cultivation of cannabis is in preparation.

### **4.3 Illegal Immigration**

In 1999 illegal immigration was an important issue on the agenda of most of the Member States and therefore remained a high priority within the framework of Europol. The involvement of organised crime in illegal immigration is as widespread as the phenomenon itself. This is also mirrored in the growing law enforcement activities in this field, as the number of requests forwarded to Europol increased.

The information exchange and related co-operation with the Member States has improved considerably. Co-ordinated actions supported by Europol against the involved networks led to several arrests and convictions. Moreover, Member States requested and received Europol assistance in arranging a joint investigation meeting for the investigators.

The Intelligence Bulletin on Illegal Immigration was changed and improved in quality and usefulness. It is one way to assist Member States in the co-ordination of investigations and operations, and to support the agencies with Intelligence on Illegal Immigration Networks.

Two Analysis Work Files on illegal immigration were opened and data was received from Member States, although the quality and quantity of the data varied considerable. The urgency procedure to open an Analysis Work File was used for the first time for one of the files.

A General Situation Report on Illegal Immigration 1998 was produced. Good participation from Member States was seen and the quality and contents of the national reports had noticeably improved, following the use of previously agreed guidelines.

#### **4.4 Trafficking in Human Beings**

The phenomenon of Trafficking in Human Beings for sexual exploitation and Child Pornography has received more and more public attention over the last years and is increasing in spite of all law enforcement efforts.

The general trend in this area of crime over the past years is the increase of victims from Central and Eastern Europe to the European Union. However, many victims are still trafficked to Europe from Africa, Asia and Latin America.

The Member States were offered support in three different operational cases of trafficking of women for sexual exploitation, including valuable analytical support to the investigation.

The General Situation Report on Trafficking in Human Beings for 1998 was published. The quality of the report improved significantly in comparison with previous general situation reports. This was partly facilitated by the fact that the questionnaire recently elaborated by Europol provided the Member States with possibilities to deliver more qualitative data than in the past.

An Intelligence Bulletin on Trafficking in Human Beings was created from information and intelligence provided by the Member States. The first issue was published at the beginning of 1999 and so far the bulletin has been published every second month.

#### **4.5 Illicit Trafficking of Nuclear and Radioactive Substances**

An initiative to co-ordinate information exchange with Member States and the intention to co-operate and share (database) information with the World Customs Organisation, the International Atomic Energy Agency and the European Institute for Transuranium Elements has been started. A modest amount of information exchange was reported in this field.

#### **4.6 Illicit Vehicle Trafficking**

Concerning the criminality related with motor vehicles, the emphasis of Europol's activities was on trafficking of the illicitly obtained vehicles to Eastern and Central Europe.

The Chairman of the Operative Committee of the Baltic Sea Co-operation on the Fight against Organised Crime requested Europol to co-ordinate and support an operation on the gathering of information on organised illicit vehicle trafficking in this area.

As stolen cars normally are registered and legalised in another country as second hand cars, Europol started a second hand car project. In this context, Europol supported two operations, involving, for the first time, two candidate countries.

In the first one, Operation **DELETED**, Europol supported and co-ordinated an operation on controlling the registration of imported second-hand cars. Europol assisted Member States, Hungary and Lithuania to schedule and structure their law enforcement activities, supported by exchange of information and intelligence, and by analysis. This operation has been successfully finished and investigations have arisen with several arrests and seizures of stolen cars. There is still an ongoing parallel project and the first operational results led to a number of new national investigations.

These two operations not only provided operational results but also may improve the national registration procedures for second hand cars.

With regard to standardisation procedures on European level, Europol concentrated on the procedure for "After-Theft-Systems-for-Vehicle-Recovery". A substantial upgrade of the information exchange procedure has been reached.

## **4.7 Financial Crime**

From 1 July 1999 Europol's mandate has been extended to the forgery of money and (other) means of payment.

The European Council decided during the Tampere meeting that Europol's mandate should be extended to money laundering in general (instead of money laundering related to specific predicate offences).

### **4.7.1 Money Laundering**

In the area of money laundering Europol contributed to the operational investigations in the Member States by facilitating the exchange of information via the Europol Liaison Network (in 145 cases, approximately 7% of the total number in 1999) and by giving analytical support to 4 operational money laundering investigations and to the financial aspects of several other investigations.

In accordance with the advice received from the Heads of National Units, Europol reserved resources to support criminal investigations in the area of money laundering by providing expertise at request. However, no request was received from competent services in the Member States.

Europol participated in the development of methods addressing the financial aspects in a criminal investigation. Under the aegis of the Multidisciplinary Group on Organised Crime (MDG) and in close co-operation with the General Secretariat of the Council, an analysis was made of the expertise regarding financial investigation in three Member States. The conclusions of these analysis were used to draw up a training model for financial investigations, to be implemented in all Member States.

Furthermore Europol contributed to the preparation of a concept on the exchange of information between the Financial Intelligence Units and to the preparation of the questionnaire on the existing regulations on the reversal of the burden of proof in confiscation matters.

#### **4.7.2 Forgery of Money and other means of payment**

The decision to extend the mandate with forgery of money and other means of payment took effect as from 1 July 1999.

Europol gave and will continue to give the highest priority to matters related to the counterfeit of the Euro currency. Europol promptly started with the necessary administrative measures to recruit experts to work in this field. This was followed by the elaboration of a general plan, and also by a consideration of the technical aspects related to this issue and of the role various institutions might have in this respect.

Until now several issues have been addressed dealing with questions such as prevention, national information flow, and products to be provided by Europol. Furthermore, discussion with experts has been initiated for first preliminary considerations on a number of complicated issues related to this matter.

It should be mentioned that in this respect essential support was received from Member States that supported Europol in the process particularly by seconding their experts to work at Europol. Experts from France, Germany, Italy and Spain gave their contribution enabling the initiation of the preparative phase of the Euro Project within Europol.

#### **4.8 Terrorism**

Europol made major efforts to promote the exchange of investigation and operational related information between Member States and to introduce Europol as a new partner to the authorities responsible for this law enforcement task. The number of cases in the field of terrorism in which Europol and Europol Liaison Officers assisted is, however, still very low.

Legislation related to terrorism was collected from all Member States and stored in a way that it is accessible for the Europol Liaison Officers and Europol officials.

The creation of a directory of competencies in combating certain crimes committed in the course of terrorist activities has been completed for consultation via the established Europol channels.

During the year terrorism related open source material was collected and further disseminated to the relevant Member State authorities, thus further expanding the users' possibilities to use existing information. The information was digested and produced on a weekly basis and a total of 37 of such digests were disseminated in 1999.

Based on the contributions of the Member States, a Glossary of Terrorist Groups has been completed. As a part of Europol's information system, this Glossary is available for consultation by the law enforcement agencies. During 1999 a procedure was established, enabling Member States to report to Europol about terrorist incidents and terrorist crimes.

In the second half of the year requests to open two Analysis Work Files dealing with two specific forms of terrorism, concerning active criminal groups in the European Union, were initiated. Europol and the competent authorities of the Member States thoroughly prepared, among others things, special meetings, the structure of information and intelligence flow and the work methods in these two analysis projects.

Also in this field of activities it should be mentioned that essential support was received from Member States that supported Europol in the process, particularly by seconding their experts to work at Europol. Experts from Italy, Spain, France, United Kingdom, Germany and Denmark gave their contribution enabling the initiation of the preparative phase of the work to be done when preventing and combating certain crimes committed in the course of terrorist activities.

#### **4.9 Projects on organised crime in and from other regions**

The European Situation Report on **Eastern-European Organised Crime** was updated. In this area two Analysis Work Files were opened after an overview was elaborated of all existing European initiatives in this field. Support was provided to the seminar arranged by the Finnish Presidency, the European Union Russia Conference on Combating Organised Crime and the Practitioner Forum in Helsinki in December 1999.

The project initiated in previous year by the Danish authorities (and Europol Drugs Unit) on **Outlaw Motorcycle Gangs** became the subject of an Analysis Work File and was handed over to Europol, as soon as the legal conditions allowed this. This project had an active participation by several Member States, as all of them were involved in combating these illegal activities.

Europol made some progress in a project designed to collate, analyse and disseminate to the appropriate agencies, intelligence related to **maritime criminal activity**. A number of difficulties still need to be resolved, but it is anticipated that a further meeting of Member States in the first semester of 2000 will result in significant progress.

As there is no doubt that organised crime is increasingly taking more advantage of **high-technology**, it is mandatory that already at this early stage Europol remains updated with the developments in this respect. A report on this subject has been drafted, identifying some techniques and possibilities for the misuse of high technology by organised crime groups. Europol together with the Member States have started to prepare projects in order to increase the knowledge of preventive and operational actions that could be undertaken.

In order to co-ordinate the activities related to **crime prevention**, Europol and the European Commission organised their first Forum in November 1999 at Europol. Different consultations with external experts were conducted. The forum was attended by a large number of participants, who represented law enforcement, public administration, business sector and academic environment.

## **5. Intelligence Analysis**

### **5.1 Crime Analysis**

#### **5.1.1 Operational Analysis**

The experiences made in the different operational analysis have already resulted in the identification of a number of new requirements as well as the modification of specific functionalities. The new functions will however take some time to be implemented.

### **a) Analysis Work Files**

The start of Europol as a legal entity led to the creation of Analysis Work Files from September 1999. These files are aimed at long term operational analyses, involving two or more Member States although the complexity of these analyses may or may not be greater than for the normal analytical support to Member State investigations. The process to open such a file still seemed to be rather bureaucratic and very time consuming.

It is also to be stressed that the transmission of relevant data and information from the Member States until now is very slow. This is due both to the novelty of the Analysis Work Files procedure and to problems encountered by participating Member States in collecting at national level such data and information.

A total of seven Europol Analysis Work Files were opened in 1999 and three further Analysis Work Files were in preparation in the last weeks of the year and it is expected that these will be opened in early 2000.

Where it is considered necessary, the Europol Director may invoke an emergency order opening procedure, and in one specific case this was carried out, with confirmation to the order being given by the Management Board at a later date.

A comprehensive procedural document to assist Member States is in preparation and this will allow greater uniformity in the creation of the Analysis Work Files.

### **b) Analytical Support to Member States' Investigations**

The beginning of the year saw the continuation of the operational analysis work under the auspices of one Member State supported by other Member States and Europol. Throughout the year a total of 11 new Member State's analyses in support of their investigations were undertaken in most areas of the Europol mandate. Of these, 10 will continue into the year 2000. Furthermore 7 such Member State analyses which had begun prior to 1999 were also completed within the year. This Europol analytical assistance enabled an immediate response to be given to operational requirements identified by the Member States.

Two such Member State analysis projects became the subject of Analysis Work Files in September 1999.

### **5.1.2 Strategic Analysis**

Of the 12 strategic projects begun in 1999 five were completed during the year. Furthermore some 18 projects carried over from 1998 were also completed during 1999. In total, this meant that 23 projects were completed.

In addition a great deal of work has been undertaken in respect of the 1998 European Union Organised Crime Report. The cross checking mechanism was enhanced to ensure consistency in reporting between the Member States, with additional cross checking made against reports and information held within Europol. The structure of the report was altered to allow ease of reading and reference to the status of the recommendations of the 1997 have been included along with conclusions and recommendations emanating from the 1998 report.

### **5.1.3 Publications**

A booklet on Analytical Guidelines was completed and distributed to all Member States in the English language. All 2000 copies were distributed and in view of this increased demand, additional copies will be printed. Translation into all Member States languages has been undertaken and it is envisaged that the guidelines will be available in all Member State languages before mid 2000.

## **5.2 Open Sources and Documentation**

In 1999 the availability of open source information to all the Europol staff was refined and consolidated. On a daily basis Europol staff are updated with information in their specific area of responsibility by offering a custom-made package of information. An open source policy document was completed to further this aspect of work within Europol.

An Open Source Conference was held in The Hague in 1999, with support of Europol.

### **5.3 Centres of Excellence**

To date around 360 Centres of Excellence have been registered in the directory. They vary in level of expertise and ability to assist. Efforts will be made to establish an upgrading of existing and future Centres of Excellence.

The third edition of the summary of Centres of Excellence is currently being translated and will be distributed on CD-ROM.

Towards the end of 1999 the Centre of Excellence concerning matters related to crimes committed in the course of terrorist activities was initiated.

## **6. Investigation Support**

### **6.1 Information exchange**

#### **6.1.1 General Information Flow**

In this year it was noted that Member States used the Europol channels for more complex cases than before. This might have been a result of an increased awareness among the law enforcement agencies of the appropriate way of using Europol services. However, in this field there is still much to do. Worthy of particular mention is the fact that as a result of above-mentioned activities there was a need to increase the amount of analytical assistance.

The overall figures showed, for the second year running, a decrease in numbers when compared with previous years. In respect of the percentage share of subjects of criminality, there were some minor changes. Investigations into drug trafficking still made up the majority, followed by cases on illegal immigration, stolen vehicles and related money laundering. Illicit nuclear substances were at the bottom of the scale. This means that the focus of interest where Member States requested assistance remained generally unchanged compared with previous years.

The qualitative value of providing operational support through intelligence exchanged cannot be measured properly by using the current methods. The Heads of National Units and the Europol Liaison Officers who alone are able to evaluate the service (as Europol has no access to the content of the information exchange) expressed their satisfaction with the quality.

With the release of an updated version of InfoEx, that is the technical carrier of information exchange, the user friendliness and ease of handling has again been enhanced significantly.

The Liaison Bureaux contributed to the development of operational and intelligence projects covering the whole range of criminal activities. Clearly, these efforts benefited both the national authorities and Europol. Furthermore, the Liaison Bureaux continued to be an invaluable platform of co-ordination and advice in combating organised crime.

During 1999, 2180 enquires were initiated by the Member States. This marked a decrease compared with 1998, when there were 2298 enquiries.

However, one enquiry can trigger many actions of various sorts as illustrated by one particular case which led to:

- 40 additional requests, which in their turn triggered 227 responses;
- 2 controlled deliveries;
- 5 surveillance operations;
- 20 requests for judicial assistance (rogatory letters);
- 3 investigation meetings, in which investigators from the concerned States participated;
- several co-ordination meetings between the Liaison Officers involved.

The information exchange activities concerning these 2180 cases can be divided into the following categories:

- information and intelligence exchanges for ongoing investigations and other law enforcement activities between the Member States:  
1905 cases (87%). In 1998 the figure was 1945 (85%).

- special expertise:  
192 cases (9%). In 1998 the figure was 230 (10%)
- co-ordination and other support activities:  
83 cases (4%). In 1998 this was 123 cases (5%).

The above-mentioned 2180 enquiries initiated further requests and answers, totalling 9285. These investigation activities or specialised services varied in complexity.

The corresponding numbers in previous years were 9782 (1998) and 8964 (1997). This shows the intermediary positions of this year's figures.

Enquiries can be split according to the type of crime:<sup>1</sup>

- 1251 (58%) were drugs related. In 1998 this was 1383 (60%);
- 346 (16%) covered illegal immigration. In 1998 this was 338 (15 %);
- 333 (15%) were linked to stolen vehicles. In 1998 this was 304 (13%);
- 145 (7%) cases were related to money laundering. In 1998 this was 177 (8%);
- 98 (4%) cases concerned trafficking in human beings. In 1998 this was 96 (also 4%).

### **6.1.2 Controlled Deliveries**

During 1999, Member States initiated 121 controlled deliveries (114 involving drugs and 7 concerning other matters e.g. Illegal Immigration, Trafficking in Human Beings) compared with 46 in 1998 and 62 in 1997. This represented a significant increase over 1998. The scale of these operations ranged from parcels containing small amounts of drugs intercepted in transit between two Member States to a major seizure of cannabis and amphetamines in one of the Northern-European countries. This operation involved continuous co-ordination of two deliveries, over three and four days, across six Member States, supported by Europol's analysts.

---

<sup>1</sup>The total of 2180 enquiries mentioned in section 7.1.1, 6<sup>th</sup> paragraph slightly differs from the sum of the enquiries mentioned per area of crime in this statistic. This apparent disparity is due to the fact that the latter does not include the mandates areas related to terrorism, counterfeiting and trafficking in nuclear substances.

## **6.2 Development and co-operation with third states & non-European Union international organisations**

A Justice and Home Affairs Council decision instructing Europol to start negotiations on co-operation agreements with third states was expected at the end of 1999. Although this failed to materialise, a major effort was made to prepare as far as possible the organisation for this important process.

These activities included, among other things, the following initiatives:

- A strategy for the development of the practical working procedures was set up;
- The working responsibilities within the organisation were established and notably the implementation of the Co-operation Bureau dealing with these issues;
- A documentation system was created;
- The preparative work for the intended initial seminars for 23 third states and 3 non-European Union bodies was carried out. Unfortunately these had to be cancelled in the absence of a Council decision;
- The preparation of the future audit<sup>1</sup> consultation took place in co-operation with concerned parties.

A great interest from these third states and non-European Union organisations in the activities undertaken within the framework of Europol was noted. In this respect several visits to Europol took place, for instance: the United States mission to the European Union; the Minister of Justice of Norway; the National Police Commissioner of Iceland; the deputy Solicitor General of Canada; the Minister of Interior of the Slovak Republic; the Head of Supervision and Control of the Ministry of Interior of Hungary; a delegation of the Ministry of Interior of the Russian Federation; the Head of the Polish Police; police delegations from Estonia and Hungary and a delegation from ICPO/Interpol.

The outcome of these visits was a better understanding of the position and role of Europol, on the procedure for the future negotiations and possible content of co-operation agreements.

---

<sup>1</sup> With audit is meant the process that has to take place before Europol is entering the negotiation phase with third states and organisations.

### **6.3 Operational Support and Technical Support**

Together with the experts from the Member States experiences were shared on specific issues to obtain sensitive information from fieldwork. In spite of the fact that due to the nature of this matter certain difficulties exist, this initiative was appreciated, as a great deal can be learned from sharing best practice.

A Manual of Controlled Deliveries was updated and will be translated into all European Union languages. A Manual on Best Practices on Drug Prevention was also updated, in order to have a collection of all the law enforcement agencies best practices in this respect.

In close co-operation with the General Secretariat of the Council, a revision of the manual on 'Operational Practices and Techniques relating to Drug Matters in the European Union' was prepared.

Europol's capacity to provide technical support to operations was improved by the acquisition of appropriate equipment, the recruitment of experts and the development of expertise. Knowledge of the technical means available within the Member States law enforcement agencies was collected.

## **7. Information & Communications Technology**

The ICT work programme for 1999 comprised eight major topics. In addition a number of detailed activities were undertaken. Considerable progress was made in this essential supportive function to the operational part of Europol.

### **7.1 Encrypted Telecommunication Links with the Member States**

Initial plans were to provide Europol at the start of its activities with a secure voice and data network.

Following a change of strategy decided by the Management Board, the project was divided into 3 sub projects, an ISDN upgrade in 1999, a secure voice network in 2000 followed by an integrated data VPN (Virtual Private Network) in 2001. These changes of strategy tied up a complete project team supporting additional expert meetings and providing technical studies.

The first part of the project – the ISDN upgrade – was procured and carried out at the end of 1999. The impact on other projects was significant.

## **7.2 Information System**

With a high level of involvement of Member States' experts the tendering process for the procurement of the Information System was satisfactorily completed during the year. The invitation to tender was issued in the middle of the first semester, and the winning consortium was selected during the second semester. The contract was signed at the end of December with a start of activities scheduled the first week of January 2000.

## **7.3 Liaison System**

The extension to the Member States of the liaison system currently in use between Europol Liaison Officers (InfoEx) was not implemented due mainly to the delays on the telecom infrastructure.

Nevertheless, a new version of the internal application was delivered and taken into use, incorporating the changes suggested by users together with a number of other improvements. The result was a system which was both more useful and easier to handle.

## **7.4 Security Manual implementation**

The SSSR (System Specific Security Requirement) was accepted by the Security Committee early in the year. Extensive tests were made of smart cards and biometric devices.

Additional network protection and monitoring of intrusion attempts were implemented.

A new encryption device was selected to protect the links with the Member States.

## **7.5 Software encryption**

A specific implementation of asymmetric encryption software was made for a small number of dedicated users.

Policy and training materials were prepared. Usage of this facility was severely restricted due to a lack of resources within ICT Security as a result of heavy involvement with the implementation and roll out of the telecom infrastructure upgrade.

## **7.6 In-house applications**

Effort was concentrated on the Analysis and Index Systems which came into operational effect with the start of activities.

The Finance, Personnel and Salary systems were also delivered progressively during the course of the year.

## **7.7 Preparatory work on the Euro and related to the area of combating certain crimes committed in the course of terrorist activities**

Towards the end of 1999 it was possible to appoint two dedicated members of the Development Group to work with the preparatory teams dealing with the Euro and certain crimes committed in the course of terrorist activities, providing technical expertise. In the mandated area related to terrorism, the work consisted also of initiating development.

## **7.8 Research: Language Engineering Projects**

Europol had a leading role as a member of the User Group in the latter stages of the EC funded Aventinus project and its successor Sensus (Language Engineering for Law Enforcement Agencies, Security and Intelligence Services) also funded by the European Commission.

The knowledge gained enabled the integration into Europol systems of linguistic modules. Even more importantly, a direct result of these projects was the high level of linguistics offered in the Information System tendering responses.

## **8. General Administration**

### **8.1 Human Resources**

#### **8.1.1 Personnel**

Europol recruited additional personnel as planned according to the 1999 budget. As a consequence of the extension of Europol's mandate to the fight against crimes committed in the course of terrorist activities and forgery of money and other means of payment, the organisation had also to recruit additional staff members on the basis of the Supplementary and Additional Budget 1999.

The start of Europol's activities on 1 July 1999 was also the date when the Europol Staff Regulations entered into force. Therefore all the contracts of employment had to be signed by this date and Europol became responsible for paying the salaries to its staff.

Annex II lists the posts recruited in 1999 and the origin by country of the Europol personnel on 31 December 1999.

#### **8.1.2 Training**

##### ***Internal training***

Training for Europol personnel addressed a variety of specific needs, for example, in respect of Project Management, Intercultural Management, Computer Skills, Languages, Media Relations, and Administrative Specialisation.

Training in Information & Communication Technologies was developed following a new approach, both during the induction period of newcomers and at more advanced levels of expertise.

A thorough Training Needs Assessment is currently being developed for the whole organisation.

### ***Training provided to Member States***

Two more Strategic Intelligence and Analysis Training courses were held at Europol, in May/June and June/July. A total of 43 participants from 14 Member States, the International Crime Tribunal for the Former Republic of Yugoslavia (ICTY) and Europol successfully completed the workshops.

Operational analysis courses were run at their request for the Danish Police in Denmark in June/July. In addition, as part of the UNDCP/Phare programme, a Senior Managers Seminar on analysis was held, followed by an Operational Analysis Course for law enforcement personnel from Bulgaria, Romania and the Former Yugoslav Republic of Macedonia.

Europol was actively involved in a seminar organised by the *Direzione Centrale per i Servizi Antidroga* of the *Dipartimento della Pubblica Sicurezza* in Italy under the OISIN programme in respect of Criminal Intelligence Analysis, the seminar being attended by North African countries as well as by some Member States.

Europol assisted to the operational analysis training course and seminar in Portugal in November, which was also attended by Portuguese speaking delegates from South American and African countries.

In September 1999, Europol's first training course on Best Practice in dealing with Trafficking in Human Beings was held. The training was an inter-active exercise during two and a half days, staged on case-studies. Additionally, investigation methods and techniques were also discussed.

Europol, in co-operation with Member States' experts, organised a European Union training course for trainers on the combating of illicit synthetic drugs laboratories. Forensic scientists and law enforcement staff from 14 Member States attended the course.

Europol organised a training seminar for money laundering experts and contributed to training courses in the framework of Phare and the Baltic Sea Region.

## 8.2 Finance

### *Budget 1998*

Total 1998 expenditure under the Common Budget amounted to € 6,452,195. TECS expenditure totalled € 1,602,037, which was only 60 percent of the budget reservation for TECS. This difference was due to delays in the decision-making concerning the new telecommunications infrastructure. Following approval by the Management Board, an amount of € 500,000 of the unused appropriations were carried over to the 1999 budget. Also in 1998, € 879,699 of the carry over from 1997 was spent on the EurInt analysis system.

In December 1999 the external auditor issued his report on the 1998 budget. This report has been submitted to the Council, so that they may authorise the discharge of the 1998 budget.

### *Budget 1999*

The total for the 1999 common budget amounted to € 18.896.000. This included the TECS budget of € 3.904.500.

In addition to the 1999 budget as adopted in 1998, the Council of June 1999 adopted a supplementary and amending budget to accommodate for the new tasks of the Europol Drugs Unit and Europol, especially the combating of crimes committed in the course of terrorist activities and counterfeiting of currency. Seven new posts but no additional appropriations were included.

The implementation of the 1999 budget has been significantly different from earlier years due to the transition from the Europol Drugs Unit to Europol. Thus, the Europol Drugs Unit accounts were closed at the end of June and a separate financial statement for the first half of the year produced. The remaining budget was implemented under the responsibility of the Europol Director, with a separate financial statement for this period.

The transition also meant that the Europol Drugs Unit financial rules applied to the budget implementation for the first half of the year and the audit will be carried out by the Europol Drugs Unit auditor, whereas the implementation during the second half of the year has followed the Europol Financial Regulation and the audit will be carried out by the Joint Audit Committee. One important consequence of the application of the Europol Financial Regulation as of 1 July 1999 has been that the Financial Controller has had a role to play in connection with the budget implementation.

In 1999 the Financial Committee examined the draft rules for the implementation of the Financial Regulation. It is hoped that these rules can be finally adopted and enter into force during the first half of 2000.

Expenditure in 1999 stayed well within the budget.

### ***Budget 2000***

After lengthy negotiations the Europol budget for 2000 was finally adopted by the Council of Ministers in December 1999. The budget totals € 27,446,000 of which € 7,000,000 is for the Europol Computer System, TECS. In December 1999 the Member States' contributions to the 2000 budget were called up.

In connection with the adoption of the 2000 budget it was decided that a review of the planning and budget processes within Europol should be held in order to facilitate the adoption of future budgets. A team consisting of representatives from five Member States started the review in October 1999 and the final outcome was presented to the Management Board in February 2000.

### **8.3 General Services**

The maintenance of the building remained the responsibility of the owner, the Host State.

With respect to the maintenance of the building and installations, a total of 84 projects have been realised for a total amount of approximately € 450.000.

First preparatory planning took place with the competent Dutch authorities on a possible provisional extension of the Europol premises.

### **8.4 Meetings and Visits**

The number of meetings and visits increased again. In 1997 and 1998 respectively 199 and 283 conferences, meetings, seminars and workshops took place. At this moment nearly full capacity has been reached. In 1999 there were 216 meetings with external participation and 620 internal meetings, a total of 836 meetings.

During this year the principle of 8 interpreters interpreting 5 languages was used for all meetings in the Europol building. The number of interpreters increased due to the fact that for the Management Board and the Joint Supervisory Body meetings interpretation into 11 languages was required. During 1999, there were a total of 1200 meeting days with interpretation.

### **8.5 Security**

The transition of all security staff members from the Dutch Ministry of Justice to Europol also took effect on 1 July 1999.

The Security Committee met two times in 1999: the Security Manual and a first step SSSR were twice presented to the Europol Management Board with a recommendation for approval.

An up-to-date threat assessment for Europol was drawn up and Europol's first User Security Guide was also presented to the Security Committee for approval.

## **9. Directorate Support**

### **9.1 Business Planning**

A new strategic planning process was initiated. As a result of the advice and instructions received from Europol's steering bodies the annual planning cycle was brought forward and revised. Increased emphasis was put on an evaluation of activities which introduced a learning process from which Europol would profit when planning ahead.

The planning process has been particularly challenging due to the fact that in 1999 there were several important political decisions, which had an immediate impact on Europol's future course.

### **9.2 Legal Affairs**

The main activities of the Legal Affairs Unit during 1999 were related to the further development of the co-operation with the Europol Management Board and the Joint Supervisory Body, in particular relating to Opening Orders for Analysis Work Files, as well as to the development of internal data protection policy and regulations. Also the further development of the legal instruments for the co-operation between Europol and third states and organisations required a significant amount of legal work. Other important topics included procurement and contractual issues for the development of the Information System, as well as finalising regulations and contractual arrangements for local staff.

In the year 1999, one of the primary tasks within the field of legal matters related to data protection. As a result of this, the Europol Data Protection Policy was elaborated and adopted by the Europol Directorate in September 1999.

As a result of an enquiry initiated by the European Union Ombudsman, the Director of Europol, after having received the advise from the Management Board, informed the Ombudsman that Europol will take up his request to create rules on public access to Europol documents. The work in this respect was initiated.

### **9.3 Public Relations**

Under the new structure of Europol, a Public Relations Unit was created in order to systematically improve awareness in the law enforcement field as well as in the public sector.

The official starting-up of Europol's activities caused an increased flow of media requests about the organisation's current activities and future developments. In addition, various political and law enforcement organisations throughout the European Union, third states as well as private institutions submitted a considerable number of requests to visit Europol or invite Europol representatives to deliver lectures and presentations.

In 1998, Europol received in writing more than 100 press requests from all over the world; in 1999 this figure mounted to more than 150. The requests for visiting Europol for meetings and presentations went up from 40 in 1998 to 130 in 1999. The requests for background information from individuals and public institutions rose to 200 in 1999, against only 130 in 1998. In this context, the Europol web-site has proved a useful source of background information for press and public.

## **10. Conclusion**

The outcome of the majority of the activities was positive. However, a detailed evaluation identified several areas that still require further efforts in order to improve the outcome of Europol's work.

Europol and the Member States will strive to:

- increase the intelligence available from Member States;
- develop a system to evaluate the qualitative value of the information and intelligence exchanged;
- increase the awareness of the services available to the Member States within the framework of Europol;
- promptly start, when possible, the negotiations with third states and organisations;
- increase the awareness of the possibilities the use of Analysis Work Files provides;
- gradually steer the work from strategic to operational related activities.

Taking into account the great significance the above-mentioned matters have it is only realistic to presume that these headings will remain for a longer time span than one year, with a high priority, on the agenda for Europol and its Member States.

**Examples of successful operations**

**DELETED FROM THIS POINT UNTIL THE END OF PAGE 40**

### Recruitment in 1999

The following posts were filled in 1999:

1 Head of the Co-operation with Third States and International Organisations Unit
1 Head of the Development Unit
1 First Officer, Organised Crime, group leader
1 First Officer, Financial Crime, group leader
1 First Officer, Stolen Cars and Nuclear Matters, group leader
2 First Officers with the Drugs group
1 First Officer with the Organised Crime group
1 First Officer with the Money Laundering group
1 First Officer with the Illegal Immigration group
1 First Officer with the Trafficking in Human Beings group
1 First Officer with the Counter Terrorism Unit
1 First Officer with the Forgery of Money project group
2 First Officer with the Analysis Unit
1 First Officer with the General Services Unit
1 First Officer with the Human Resources Unit
1 Second Officer with the Human Resources Unit / Training group
4 First Officers with the ICT Unit
2 First Officers with the Operational and Technical Support Unit
1 First Officer with the Finance Unit
1 Second Officer with the Drugs group
1 Second Officer with the Organised Crime group
1 Second Officer with the Counter Terrorism Unit
1 Second Officer with the Operational and Technical Support Unit
4 Second Officers with the Analysis unit
6 Analytical Assistants
2 Second Officers with the ICT Unit
1 Second Officer with the Human Resources Unit
1 Second Officer with the Open Sources and Documentation Unit
2 Second Officers with the Finance Unit
3 Second Officers with the Directorate Support
2 Assistants to a Deputy Director
1 Second Officer with the General Services Unit
8 Administrative Assistants

By the end of 1999 the Europol personnel totalled 212 (160 in 1998), 43 of whom were Europol Liaison Officers and assistants to the liaison bureaux from the 15 Member States.

Of the remaining 169:

- 117 were Europol officials (29 Dutch; 15 German; 13 British; 11 Italian; 11 French; 8 Belgian; 7 Danish; 6 Spanish; 5 Portuguese; 4 Swedish; 2 Austrian; 2 Irish; 2 Luxembourgish; 1 Greek and 1 Finish)
- 6 were Local Staff (all Dutch)
- 18 Seconded Experts (5 Spanish; 4 German; 3 Italian; 2 British; 1 French; 1 Irish; 1 Swedish and 1 Dutch)
- 18 were Security Officers (all Dutch)
- 3 were Bodies and Organs staff (1 Dutch; 1 Danish; 1 French)
- The 7 remaining were trainees and temporary staff.

## Joint Supervisory Body

The Joint Supervisory Body was formally set up shortly after the Europol Convention entered into force.

During its first meetings the Joint Supervisory Body mainly dealt with procedural issues, such as appointing the Appeals Committee, electing the Chairs for the Joint Supervisory Body and the Appeals Committee, and adopting the Rules of Procedure for the Joint Supervisory Body.

In 1999 the Joint Supervisory Body met three times. During these meetings they discussed several institutional issues, such as the relations with Europol and the Europol Management Board, the handling of data in Europol files and the budget of the Joint Supervisory Body. Also the position of the Secretariat of the Joint Supervisory Body was discussed during these meetings.

In 1999 the Joint Supervisory Body evaluated several Opening Orders applicable to Europol Analysis Work Files.

The Appeals Committee met twice in 1999 and mainly discussed procedural issues.