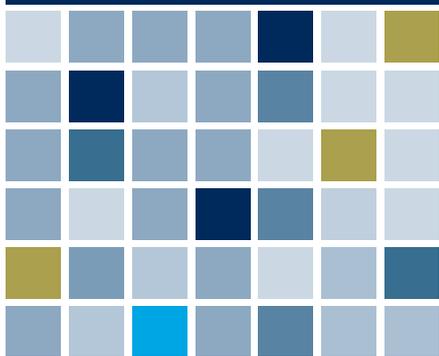


Attacking the financial base of crime



Criminals in the 21st century are latching on to new technology, but they have the same old motive.

On 12 March 2008, three people were arrested in Sydney following a two-month investigation that resulted in the seizure of 250 kilograms of cocaine with an estimated street value of \$87.5 million.

Information about possible illegal activities was received in January of that year, and the multi-agency Joint Asian Crime Group's investigation led to the discovery of the cocaine hidden among furniture in a shipping container. The cocaine was in packets and labelled as green tea.

The container was shipped from South-east Asia. Suspicious money transfers to accounts in South-east Asia totalling millions of dollars kicked off the investigation. The money trail proved to be a key part in the success of the investigation.

The AFP has over the past six months strengthened its focus on following one of the key indicators of crime: tracking the money.

"Criminal enterprise can share many of the features of a regular business and one of those is the drive for profit," National Manager Economic and Special Operations Mandy Newton said.

"Targeting that profit is key. Succeeding in tracking down the proceeds of crime can lead to the arrest of the perpetrators of those crimes and, just as importantly, restraining those assets acts as a further disincentive."

Australia's anti-money laundering and counter terrorist financing regime has been undergoing change over the past several years with the introduction of new legislation to enable Australia to meet its international obligations. These are outlined in the *40+9 Recommendations* of the Financial Action Task Force, an international inter-governmental policy-making body which develops and promotes national and international policies to combat money laundering and terrorist financing.

The AFP has developed and expanded measures to advance its approach to tackling proceeds of crime and money laundering. The central focus of these measures has been providing increased education and training so that investigators develop and implement a financial investigation strategy as a proactive investigation tool.

An awareness-raising campaign implemented simultaneously has played a key role in lifting the profile of financial investigations and reigniting understanding among investigators that following the money trail can help uncover money laundering and reveal the organisation behind crime.

"It is important to mainstream the concept of following the money across the organisation," Assistant Commissioner Newton said.

"When implemented at every level of an investigation, a financial investigation strategy will help identify and restrain assets, target criminal profits and identify money laundering and terrorist financing activity.

"Other strategic policing benefits include removing the perception in the community that crime pays, and deterring people from committing acquisitive crime by removing the incentive: profit."

The awareness campaign aimed to increase the profile of a financial investigation strategy as a proactive investigative tool. The campaign has been rolled out through a series of presentations to staff at AFP offices around the country.



Led by National Coordinator Economic and Special Operations Hadley Gill, seconded to the AFP from Britain's Serious Organised Crime Agency (SOCA), the presentations were open to all staff. Members working in investigative and intelligence roles were particularly sought-after to attend the presentations and the training courses offered through the AFP College.

In addition to the awareness campaign and training courses, the AFP has changed the way it supervises investigations to ensure that proceeds of crime and the possibility of money laundering are considered in every investigation, no matter what the crime type.

"The active use of financial data in investigations is a growing trend in law enforcement internationally," Mr Gill said.

"The United Kingdom's SOCA, for example, has a program whereby all investigations have a clearly defined financial investigation strategy from the outset. Targeting the criminals' finances is a key strategic imperative.

"The US Drug Enforcement Agency regularly runs its known and suspected money launderers against the US

Treasury's Financial Crimes Enforcement Network database.

"US Immigration and Customs Enforcement, with the cooperation of the US Treasury Department, operates a system called DARTTS which analyses trade and funds flows. Imbalances are identified which may indicate trade-based money laundering.

"Repatriated funds are a valuable source of intelligence. Data from the banking sector is regularly analysed by the above agencies to identify trends and patterns used by organised crime groups," Mr Gill said.

These overseas initiatives are based on two overarching principles: working collaboratively with other agencies including the private and public sector; and building information and intelligence to increase understanding of organised crime groups and their methodology.

Given the vast number of financial transactions entered into and the detailed records kept of transactions, financial investigation can be used in a wide variety of cases to place individuals at particular times and to provide useful evidential leads.

"Results from UK police forces investigations that gave greater priority to financial investigation showed that following the money trail often yielded evidence relating to other crimes and individuals and contributed significantly to law enforcement's understanding of the operation of criminal markets," Mr Gill said.

Assistant Commissioner Newton said a focus on finance should be at the forefront of every investigation.

"Much as the use of forensic evidence gathering has become routine, so should the following of the money trail become an integral part of our investigative culture," she said.

"Research in high profile cases has proved that this technique delivers increased restraint, the identification of assets, prosecution of serious criminal offences and ultimately will assist in the achievement of Financial Action Task Force and Government expectations."

Photos: Greg Primmer.