



Executive Director of Europol's speech at the 5th Joint Parliamentary Scrutiny Group Meeting

23 September 2019

Distinguished Members of the European Parliament,

Distinguished Members of National Parliaments of the European Union.

Mr Juan Fernando Lopez Aguilar,

Ms Mari-Leena Talvitie,

Thank you for inviting me to participate in the 5th Joint Parliamentary Scrutiny Group meeting.

In my intervention, I would like to report on the latest developments in relation to Europol's multiannual programming document for 2020-22 as well as to the comments on the written contribution that we received. I will also provide you with some operational updates since the last JPSG, in February.

On the multi-annual programming 2020-2022

You might recall, during our last meeting, I presented the Europol Strategy 2020 +.

This document sets strategic priorities for the agency in the medium to long term and was endorsed by Member States and the European Commission at the Europol Management Board meeting.

The Europol Strategy 2020+ is the basis for our multiannual programming document.

I take this opportunity to outline the main strategic elements of this document and inform you on the latest developments related to its implementation.

The Europol Strategy 2020+ revolves around the following priorities:

- First: Europol will be the EU criminal information hub.

This means that Europol will evolve from collecting to connecting information;

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- Second: Even more than before, we have to deliver agile operational support.

We will focus on priority investigations of high value targets – the most sophisticated and dangerous criminals – and support these investigations with multidisciplinary teams.

- Third: Europol becomes a platform for European policing solutions.

My goal is to turn Europol into a hub through which Member States can connect and benefit from each other's and also Europol's expertise.

- Fourth: Europol needs to be at the forefront of innovation and research for law enforcement.

Europol should become the EU's Law enforcement engine for innovation.

We will listen to Member States demand and develop new technologies and innovations such as artificial intelligence, machine learning and decryption.

The implementation of the Strategy 2020+ translates, in operational terms, into a stronger focus on priority security threats.

In 2019, we have worked on organisational adjustments that will create synergies and will focus our resources on priority areas.

Concretely, we have set up

- a Taskforce for Analysis,
- a Taskforce for the new Financial and Economic Crime Centre that we will established in 2020,
- an Innovation Project
- and the Information Management Program Board.

The Taskforce Analysis will work on the overhaul and strengthening of our Analysis and MS analytical capabilities.

In a few days, we will launch an online analysis platform. We have received an enthusiastic response, with more than 800 analysts from EU Member States ready to connect to the platform and share knowledge, expertise and tools.

The Taskforce for the new Financial and Economic Crime Centre will design the new Centre. It will define the structure and requirements of the future Centre in

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order to support MS better in the fight against financial and economic crimes, including corruption.

The Information Management Program Board will define a common vision and scope of Information Management at Europol.

The Innovation Project will focus on mapping the innovation landscape at EU Law enforcement level and developing an innovation strategy and an innovation governance structure which will allow for innovation to be an integral part of the future.

These are only the areas of new development which are linked to the Multiannual Programming document 2020-22.

In parallel to this, we will also further strengthen the three established Operational Centres at Europol – Cybercrime, Counter-Terrorism and Serious and Organised Crime.

For example, Europol will enhance its efforts in countering the trafficking of drugs, taking down terrorism content online and saving children from sexual exploitation and abuse.

Coming back to what I said earlier, this is the Strategy for 2020 and beyond.

It is an ambitious plan. However, investment in Europol is a direct investment in the support of Member States' law enforcement authorities.

Budget and resources

This last point leads me to the next topic, adequate financial and human resources for our agency, which is vital to ensure we can provide the added value and enhanced services.

Europol needs a sustainable budget, including a sufficient budget for long-term investments side-by-side with day-to-day operations.

Overall direction should be growth: not for its own sake but to reflect increasing demand, a growing user community, a broader mandate, and an evolving technological environment.

I would like to take this opportunity to thank the JPSG for your support during the negotiations for the budget 2020 and for the Multiannual Financial Framework 2021-27.

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I welcome the Opinion of the LIBE committee to the Budget 2020, which fully endorses Europol's requests for 2020, meaning EUR 173.6 million and 66 additional staff. I hope that the European Parliament and Member States can confirm this position.

Even if the final outcome for the budget is not known yet, your help shows that we share a common vision for the kind of support Europol should provide to the Member States.

The EU Multiannual Financial Framework will define the ceilings of our resources for the period 2021-27.

The current proposal foresees severe cuts to Europol's budget.

For instance, with the current estimate, in 2021, Europol's budget will be cut by more than 10 percent compared to the budget currently implemented by Europol.

We are approaching the final stage of the negotiations of the Multiannual Financial Framework, with an agreement expected by the end of the year. While aware of the difficulties facing the negotiations, I do hope that national governments will realise the importance of aligning Europol's budget with operational and political expectations. I would be grateful for your support in this respect too.

Reply to the comments on Europol Multiannual Programming Document 2020-22

I would like to reply to the written contribution to the Europol programming document 2020-22 received from the Cypriot delegation, which I thank for their interesting comments.

Europol currently has from 2 to 3 Guest Officers deployed to Cyprus.

As of 3 April 2019, Europol has been supporting the Cypriot Law Enforcement Authorities within the framework of an Operational Plan Secondary Security Checks for Cyprus. Europol Guest Officers operate from an office at the Aliens and Immigration Division. They can move around the territory of the Republic of Cyprus as required by the competent Cypriot authorities;

Cooperation between Europol Guest Officers and all the relevant authorities has proven to be effective and there is a healthy information flow/exchange between the Cypriot authorities and Europol.

Indeed, the development of Europol capabilities in decryption and cryptocurrency is a strategic priority.

Thanks to the European Commission, resources for setting up the decryption platform were obtained in 2018 and the delivery of the platform in cooperation with the EU's Joint Research Centre is expected by the end of 2019.

With regards to cryptocurrency, Europol strives to advance its ambition in this area within its resources. For 2020, Europol plans to enhance its operational and technical support to Member States' investigations related to cryptocurrency by improving the collaboration with the providers of flagged suspicious transaction and accounts, and by developing a cryptocurrency platform where LEA can query open source blockchain. However, this will not be possible without receiving the necessary financial and human resources.

Update on strategic and operational activities

Turning now to our operational activity, I would provide you an update on the following criminal areas, which were identified in the invitation I received: cybercrime, the structure of organised criminal groups, money laundering and child pornography.

In the field of cybercrime, at present, ransomware continues to be the number one threat reported in the area of cyberattacks.

The biggest ransomware case currently supported by Europol's European Cybercrime Centre relates to the LockerGoga ransomware family which is attacking industrial companies in different countries. Our Cybercrime Centre and our Joint Cybercrime Action Taskforce established a team to combat this specific ransomware family.

Another challenging threat is represented by the Darkweb.

The Cyber Patrol Action coordinated by the Europol's Cybercrime Centre gathered various national experts to identify targets on the Dark Web. From 273 targets initially listed, Europol has worked on 106 during the CPA 2019. The top three crime areas for these targets were firearms, cybercrime and drugs.

I would like to share with you some reflections on the development of organised crime groups in Europe.

Top-level OCGs are typically poly-criminal. The OCGs are involved in greater variety of entrepreneurial criminal activities, being highly flexible and with great

adaptability depending on emerging opportunities and changes in the environment.

The use of physical violence has increased sharply, especially in relation to drugs trafficking or organised property crimes.

Corruption is a key aspect in high level organised crime. Top level Organised Crime Groups infiltrate public and private sector organisations by using bribery, conflicts of interest, intimidation & collusion.

The majority of suspects involved in organised crime in the EU continue to be EU nationals.

The structures of OCGs are very diverse. While most OCGs remain top down, a significant number of crimes are carried out by cooperation along supply chains or trafficking routes, which lead to shared logistics or joint acquiring of larger quantities of illicit commodities. Opposed to the envisaged fragmentation is the evidence of closer cooperation amongst OCGs in the EU and globally.

As an example of a recent investigation supported by Europol against organised crime, I would like to mention Operation Icebreaker.

The joint investigation lasted 2 years which involved several Member States (Lithuania, Poland, Spain, the United Kingdom) and was supported by Europol and Eurojust.

Four criminal groups of more than 50 members were involved. They were active in large scale drugs and cigarette trafficking, assassinations, money laundering and weapons smuggling. The investigation focused on a long-existing criminal network, comprising of four highly dangerous OCGs with 53 active members.

As result of this joint operation, in May 2019:

- 22 suspects were arrested, 40 searches performed.
- The dismantled OCG was responsible for smuggling tons of cocaine from South America to Romania. That shipment was seized and the main perpetrators are now charged.

This was a unique operation from Europol's perspective, which resulted in the identification of new modi operandi and gathering of critical evidence.

Turning to money laundering, despite technological developments and movement towards cashless societies, cash remains a dominant threat in money laundering. The laundering of criminal proceeds has become a key example of crime as a service.

The misuse of new payment methods such as Bitcoin is an emerging money laundering trend. Investigations show that criminals have turned their attention to virtual currencies and are actively exploiting their money laundering potential. This is a threat which is currently a focus of law enforcement attention.

The last point of my update on operational developments, child pornography remains a very critical criminal threat.

The number of referrals on children related crime that Europol has received so far by the U.S. National Centre of Missing and Exploited Children in 2019 is around 271,000. The expected increase for this year will be almost double what we received for the whole of last year.

EC3 hosted the 6th Victim Identification Task Force this year. EC3 welcomed 34 specialists from 24 countries and 29 agencies. They processed more than 800 leads for victim identification. 28 victims have been identified and safeguarded and 18 offenders have been arrested due to this.

I would also like to quickly touch upon what upcoming threats we see from Europol's perspective.

Firstly, serious and organised crime is a real threat to the EU and EU citizens are being more and more impacted by it. We are seeing an increase in violence linked to clashes between criminal groups. Such as the gang-linked killings in Denmark and Sweden and the recent murder of the criminal lawyer in Amsterdam. The violence may further increase.

Secondly, in the past weeks, we have seen an increase in migrants arriving at EU borders. In our experience, this usually leads to an increase in migrant smuggling especially in facilitated secondary movements in the EU and related document fraud.

Thirdly, another disconcerting issue is the use of social media by terrorist but also OC groups. They have demonstrated a sophisticated understanding of how social networks operate. Though the dark web remains a threat, the misuse of social media platforms for criminal purposes is on the rise.

Thank you for inviting me to speak to you today.