



NCA
National Crime Agency

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National Strategic

Assessment

of Serious and Organised Crime

2019



I am proud to introduce the 2019 **National Strategic Assessment of Serious and Organised Crime (SOC)**. This intelligence-based assessment builds on those previously issued to provide a single picture of the threat to the UK from serious and organised crime over the course of the past year.

Against a backdrop of continuing growth in volume and complexity across SOC threats, the National Crime Agency (NCA) has set priorities that are cross-cutting in nature. This frees us from a limiting focus on individual priority crimes and allows us to target high-harm criminals across the board. To achieve this, this assessment is structured around the following priority areas for 2019/2020:

The identification and disruption of high-harm, high-impact criminals and organised crime groups (OCGs), diminishing their capability, infrastructure and influence. In particular, those who:

- Exploit the vulnerable through child sexual abuse and exploitation, trafficking, servitude, fraud and other forms of abuse;
- Dominate communities and chase profits in the criminal marketplace, using violence and/or criminal reputations in the supply of drugs and firearms;
- Undermine the UK's economy, integrity, infrastructure and institutions through their criminality.

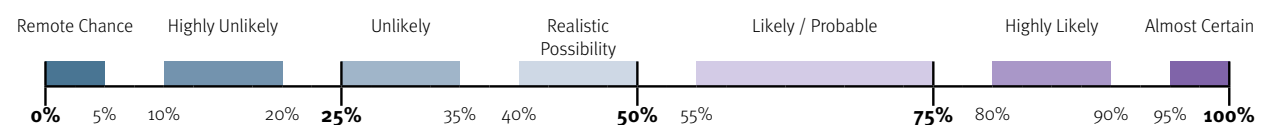
This assessment has been drafted with support from many organisations, with intelligence from Scotland and Northern Ireland included throughout to provide a UK-wide threat picture. I trust that it is useful to colleagues across central government, Police and Crime Commissioners, operational law enforcement partners, the security services, and the private and third sectors.

I also hope it is of value to the public, who have a key role to play in disrupting SOC. This assessment differs from those of previous years, covering both illustrative cases and ways in which the public can stay alert to, and help to prevent and respond to, emerging SOC threats. There is no doubt that we can more effectively respond to these evolving challenges by addressing them together.

Lynne Owens CBE QPM MA

Probability and Uncertainty

Throughout the National Strategic Assessment, the 'probability yardstick' (as defined by the Professional Head of Intelligence Assessment) has been used to ensure consistency across the different threats and themes when assessing probability. The following defines the probability ranges considered when such language is used:





Contents

Overview of SOC in the UK	4
Exploitation of the Vulnerable	10
Child Sexual Abuse and Exploitation	12
Modern Slavery and Human Trafficking	16
Organised Immigration Crime	20
Impact of SOC on Communities	24
Firearms	26
Drugs	30
Organised Acquisitive Crime	34
Harm to the UK's Economy and Institutions	36
Money Laundering	38
Fraud and Other Economic Crime	42
International Bribery, Corruption, Sanctions Contravention	46
Cyber Crime	48

Serious and organised crime affects more UK citizens, more often, than any other national security threat

Overview of

SOC in the UK

Overview of SOC in the UK

1. Serious and organised crime (SOC) affects more UK citizens, more often, than any other national security threat. It has a daily impact on citizens, public services, businesses, institutions, national reputation and infrastructure. SOC is estimated to cost the UK economy at least £37 billion a year, with this cost increasing year on year. This figure is highly likely to be a significant underestimate, particularly in relation to areas such as fraud.
2. The financial cost of SOC does not by itself capture the harm caused to those affected. SOC can have a devastating effect as criminals target citizens to exploit and defraud in new ways. The threat is growing in both volume and complexity, impacting a broader range of victims. The dominant motivation remains financial gain, although sexual gratification is the main motivator of child sexual abuse and exploitation (CSAE).
3. Growing numbers of children and young adults are becoming involved in SOC. In parts of the UK, crime groups made up almost exclusively of young people have emerged, adopting business-like operating models rather than relying on identity or postcode. However, these young people still comprise a minority of total organised crime group (OCG) nominals.
4. SOC threats are increasingly interlinked, and polycriminality remains a key feature of the SOC landscape. Many OCGs continue to be involved in multiple crime types, adapting their methods to law enforcement responses. However, some groups, including established OCGs and those involved in niche criminality, have not diversified, maintaining their established areas of expertise.
5. A number of the SOC actors and OCGs identified work together in criminal enterprises. New market entrants will integrate with existing criminal infrastructure, looking to utilise established money laundering networks and logistics providers to expand their activities.

>£37 billion



The estimated cost to the UK economy per year from serious and organised crime.¹

4,542

Number of organised crime groups mapped in the UK at the end of June 2018.²

6. Across crime types, a growing threat derives from criminals acting individually, without the infrastructure of established OCGs. In areas such as CSAE, it remains relatively uncommon for criminals to work in identifiable networks, although like-minded CSAE offenders may socialise online.
7. The majority of SOC activity in the UK retains a clear international dimension. OCGs active in the UK continue to source illicit commodities, exploit vulnerable people and defraud UK citizens and businesses from a range of upstream locations. Transnational OCGs continue to exploit vulnerabilities, such as those at borders and in criminal justice structures, to commit crime in the UK and overseas.
8. There remains no indication that OCGs active in the UK are co-operating with terrorist groups. The shift to lower-sophistication terrorist attack methodologies also makes this support less necessary. However, terrorist suspects have previously engaged in lower-level crime, such as small-scale fraud, to procure funds and equipment.
9. SOC offenders draw on a range of cross-cutting enablers in carrying out their criminal activities. These include:
 - The use of technology
 - Border vulnerabilities
 - Corruption in the UK
 - Prisoners and those on license.
10. Each of these cross-cutting enablers is outlined in this section. The following sections explore the way in which SOC offenders exploit the vulnerable, use violence to dominate communities and chase profits in the criminal marketplace, and undermine the UK's economy, infrastructure and institutions.

Use of Technology: Key Terms

Dark Web	Part of the world wide web that can only be accessed using special software, such as The Onion Router (Tor), Freenet and I2P. It contains content that cannot be indexed by traditional search engines and provides anonymity for users and website operators.
Encryption	The process of converting information or data into a code, primarily to prevent unauthorised access.
Virtual Currencies	Currencies that only exist digitally, that usually have no central issuing or regulating authority, but instead use a decentralised system to record transactions and manage the issuance of new units.



Overview of

SOC in the UK

>\$1 billion

Estimated amount traded on the AlphaBay dark web marketplace from 2014 until its closure in 2017.³

The Use of Technology

11. Advancing technology gives offenders new tools to commit and hide their crimes. Today's criminals can sell drugs, share indecent images of children, or hack into national infrastructure from anywhere in the world, communicating covertly through encrypted services and moving illicit finances at speed. Notable trends in the past year have related to the criminal use of encryption tools, the dark web and virtual currencies.
12. Serious and organised criminals at all levels remain engaged in the widespread abuse of encryption tools to evade law enforcement. SOC offenders continue to exploit both legitimate, widely commercially available encrypted communications applications, and secure encrypted platforms designed for criminal use. In parallel, OCGs continue to use anonymisation to protect against law enforcement action.
13. The anonymity offered by the dark web continues to attract SOC offenders. The Onion Router (Tor) remains the main access point to dark web services. There has been ongoing growth in the volume of criminal trade notifications on Tor-based platforms, although the rate of increase has slowed slightly over the past year.
14. In terms of virtual currencies, Bitcoin continues to dominate in relation to dark web marketplace transactions, cyber-dependent and cyber-enabled crime. However, there has been growing uptake of privacy-focused alternatives, such as Monero and ZCash.
15. Use of virtual currencies remains largely confined to illicit online marketplaces, although virtual currencies' perceived anonymity has increasingly attracted criminals offline.

Border Vulnerabilities

16. Exploitation of the UK border continues to enable a range of SOC offending. As well as corruption at the border, this includes abuse of:
 - Roll-On Roll-Off (wheeled cargo driven on and off ships such as ferries);
 - General Aviation (flights that are non-military and do not fly on a published schedule);
 - General Maritime (non-scheduled vessels arriving at ports without UK border controls);
 - The Common Travel Area (CTA – an arrangement between the UK, Ireland and Crown Dependencies that allows free movement of British and Irish citizens).
17. In the past year, there has been a surge in numbers exploiting General Maritime routes to facilitate organised immigration crime into the UK. Alongside other high-risk methodologies,
 - such as the use of containers and refrigerated HGVs, this poses a significant threat to life.
18. Over the past year, reporting of the illicit outbound movement of precious metals has increased. The first seizures of gold were made under the amended Proceeds of Crime Act, which entered into force in April 2018. In the past year, the movement of cash has remained the most frequently reported modus operandi involving money laundering at the UK border.
19. With the UK's exit from the EU, the nature of change at the border will depend on the terms agreed. However, OCGs will seek to exploit any perceived vulnerabilities at points of entry, whilst EU exit-related uncertainty is likely to provide opportunities for cyber, fraud and laundering criminality. From a law enforcement perspective, changing access conditions are likely to make cross-border collaboration with EU partners more challenging.

Case Study

In November 2018, a corrupt UK border officer was jailed after being found guilty of attempting to smuggle firearms and drugs into the UK. The 37-year-old officer from Dover and two accomplices were arrested following an investigation by the NCA, Metropolitan Police Service and French police.

The officer was arrested on duty in October 2017, having collected a work van from his office in Folkestone and boarded a Channel Tunnel service. At Loon-Plage, between Calais and Dunkirk, he met two OCG members in a supermarket car park. These individuals placed three holdalls in the back of his van as French officers moved in to arrest them.

The holdalls contained 8 pistols, 2 revolvers, a large quantity of ammunition, 28 kg of cocaine with a potential street value of £2.8 million and 6 kg of heroin with a potential street value of £600,000. Investigators believe that the officer would have been paid £20,000 for the smuggling run. The officer received 12 years' imprisonment for attempting to import firearms, 8 years for attempting to smuggle heroin and cocaine, and 3 years for misconduct in public office, to be served consecutively.

37,317 

nominals associated with the 4,542 organised crime groups mapped in the UK at the end of June 2018.⁴

Overview of

SOC in the UK

Corruption in the UK

20. Offenders continue to use corrupt public and private sector workers to facilitate their activities. Border, immigration, law enforcement and prison staff work in areas that are particularly vulnerable.
21. Corruption at the border has been uncovered on a number of occasions over the past year. Here and elsewhere, information remains a highly desirable commodity: 'tipping off' by law enforcement officers can warn criminals of future operational activity, search warrant action or arrests.
22. A small number of individuals in positions of authority have been identified as corrupt, including those employed by accounting and legal services, Trust and Company Service Providers and banking institutions. They have played pivotal roles in complex money laundering schemes and divulged information to bring credibility to fraudulent activity.

Prisoners and those on Licence

23. SOC offenders continue to engage in criminality from within prison. These offenders are well organised, have supportive networks on the outside, and can be resistant to rehabilitation.
24. Mobile phones are key enablers of SOC in prisons. In 2018, an emerging trend has seen prisoners explore methods to conceal illicit mobile phone use and develop alternative communication methodologies. In some cases, this has included use of strongly encrypted applications. A related trend is visible among offenders on Licence.
25. SOC in prisons can be highly lucrative. A study of offenders has revealed a business model whereby items such as drugs are purchased purely to be smuggled into prisons, where their market value is much higher. Psychoactive substances, especially synthetic cannabinoids, remain the most widespread drugs in prisons in England and Wales.



Exploitation of the Vulnerable

26. This section covers the activities of individuals and groups who exploit the vulnerable through child sexual abuse and exploitation, trafficking, servitude, fraud and other forms of abuse.
27. The three main threats in this area are:
 - Child Sexual Abuse and Exploitation
 - Modern Slavery and Human Trafficking
 - Organised Immigration Crime
28. Fraudsters also target individual, often older or vulnerable victims, using impersonation or deception to encourage them to make payments as directed. While this threat is important in terms of the exploitation of the vulnerable, fraudsters also target institutions. Fraud is therefore addressed later in this report.
29. Crimes involving exploitation of the vulnerable continued to be reported in 2018 across England, Wales, Scotland and Northern Ireland. These types of exploitation can overlap, with those targeted for one form of exploitation at times becoming victims of another.
30. There are also shared drivers across threats, with economic imbalances, mass migration and social factors creating a pool of vulnerable people (at home and abroad) who may be exploited.

The volume of child sexual abuse and exploitation material online continues to grow

Child Sexual Abuse and Exploitation

- 31. Child sexual abuse and exploitation (CSAE) remains a high-volume offence, with recorded instances increasing across the UK. It covers a range of crimes, from offending in the family context, to generation of indecent images, to online grooming, blackmail and extortion. The main driver of CSAE is sexual gratification, although some individuals seek to gain financially from this activity. They do so by selling CSAE material (particularly live streamed abuse) online or by monetising CSAE-related internet traffic through 'pay-per-click' advertising.
- 32. The main enablers of CSAE are the privacy of the family environment, access to children through positions of trust, and access to the internet. A growing proportion of recorded offences take place online, with the internet allowing access to children, and communication and sharing of indecent imagery between offenders. The volume of CSAE material online continues to grow, with viral sharing driven not only by offenders' desire for sexual gratification, but also by members of the public circulating material in outrage.
- 33. The majority of CSAE offending and material exists on the open web. However, offenders increasingly

use the dark web to pursue more niche material, and use anonymisation technology to lower the risk of detection. In 2018, 2.88 million accounts were registered globally across the most harmful CSAE dark web sites, as assessed by the NCA.

- 34. Some of the more extreme forums require users to upload first-generation (new) indecent images of children to gain access. This raises the risk that offenders will commit and record contact offences to access these forums (see case study).
- 35. Live streaming remains a key threat, with UK-based offenders paying overseas facilitators to abuse or arrange sexual abuse of a child, directed by the offender via webcam. This is one



2.88 million

accounts exist globally on the most harmful CSAE dark web sites, as assessed by the NCA.



3.5%

increase in recorded sexual offences against victims under 18 in Northern Ireland, financial year 2016/17–2017/18 – an example of a broader UK-wide increase.⁵



of the main forms of financially-driven offending, for which the Philippines remains a key hub.

36. In parallel, the growth in social media use has allowed direct access to children at scale. This has led to significant increases in online grooming, blackmail and extortion. Individual offenders can simultaneously target multiple children, blackmailing and extorting them at speed.
37. As a result, CSAE has become synonymous with the grooming of children through social media. However, children remain vulnerable to sexual abuse by family members and those in positions of trust. As a largely hidden crime, preventing such abuse requires multi-agency cooperation at the local level.
38. Sexual exploitation and abuse by groups of offenders remains a threat. The group method appears in a minority of CSAE cases uncovered, but it is highly likely to be more widespread than reported. In the past year, the groups involved have deployed considerable violence and intimidation against their victims, and have shown resilience in the face of attempts to disrupt them.

What You Can Do

39. Informing the police or Crimestoppers is the first course of action when child abuse is suspected. However, preventative action can also be taken by:
 - Starting a positive online safety conversation with your child and remaining engaged in their online life. Continuing dialogue is key to keeping your child safe online.
 - Setting up parental controls on your connection, devices and online services, and agreeing with your child safe privacy settings on the apps and sites they use.
40. Child victims may display emotional symptoms such as staying away from others, avoiding being alone with people or appearing reluctant to socialise with a particular individual. They may display sexual behaviour that is inappropriate for their age or use unexpected sexual language.
41. For advice, visit the Thinkuknow parents' website at www.thinkuknow.co.uk/parents. Children can access support and report abuse by contacting Childline on 0800 1111 or www.childline.org.uk.

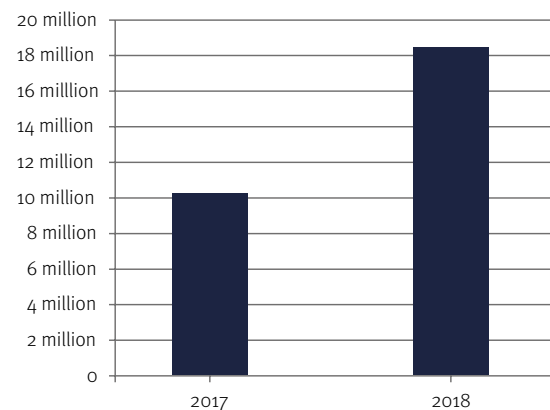
Case Study

In March 2019, a 31-year-old man from Greater Manchester was jailed for 15 years for raping a six-month-old baby girl and sexually assaulting a two-year-old boy to produce and share indecent images of children. The individual had been incited to commit these crimes in order to join a private child offender discussion group on a site called Telegram, which required new members to post new abuse images to gain entry.

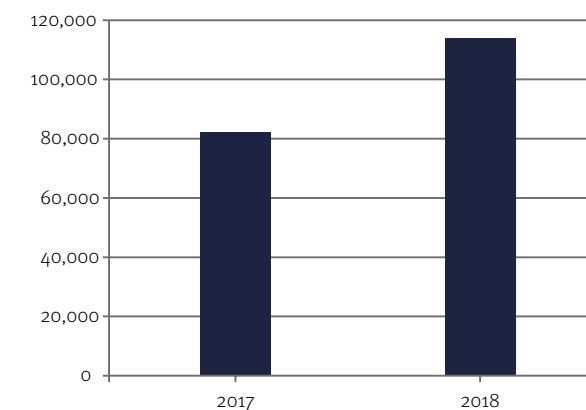
In October 2018, US law enforcement partners passed the NCA intelligence stemming from an industry report from the National Center for Missing and Exploited Children, relating to the sharing of the video files in question. The videos had been shared by individuals not directly linked to the offender, but further investigation and the use of the NCA's specialist victim identification capabilities saw both the location of offending and the offender in the videos identified. The individual was arrested and the children safeguarded within 24 hours of receipt of the intelligence from US law enforcement partners.

Reporting of Suspected Child Sexual Abuse Material

Number of Global Reports of Suspected Child Sexual Abuse Material Sent to the US-based National Center for Missing and Exploited Children.⁶



Number of Industry Reports of Suspected Child Sexual Abuse Material Related to the UK Received by the NCA.⁷



The data above refers to suspected child sexual abuse material reported by industry. The totals inevitably include referrals that do not require any further action by law enforcement, but all reports must nonetheless be assessed. The data sets above are therefore illustrative of trends in demand on law enforcement only. The data above relates to online image viewing/sharing only.

Modern slavery refers to the offences of human trafficking, slavery, servitude, and forced or compulsory labour

Modern Slavery and Human Trafficking

- 42. Modern slavery refers to the offences of human trafficking, slavery, servitude, and forced or compulsory labour. Victims of modern slavery are exploited in a range of ways. Both adults and children are trafficked for sexual exploitation, labour exploitation or criminal exploitation – the most commonly reported exploitation forms in the UK. Other types also exist, including domestic servitude. Organ harvesting has also been reported, although no confirmed cases have occurred in the UK.
- 43. The true scale of modern slavery and human trafficking (MSHT) in the UK is unknown. However, potential victims identified through the National Referral Mechanism have increased by 36%, from 5,142 in calendar year 2017 to 6,993 in 2018.
- 44. The vast majority of MSHT is almost certain to be driven by organised crime, although most of the OCGs involved are loosely networked and of low sophistication. In parallel, more sophisticated groups are highly likely to engage in MSHT alongside other crime, including financial and immigration crime. The level of harm caused does not correlate to a group's size or sophistication: some of the most harmful crimes are perpetrated by unsophisticated offenders.

- 45. Car washes, construction and agriculture are the sectors in which labour exploitation is most often uncovered, with victims predominantly male. In the past year, referrals of potential victims in the catering sector increased significantly. Domestic servitude is likely to be perpetrated by lone offenders, and is almost certainly under-recorded. Labour exploitation in secluded areas in the UK has increasingly been reported, which often sees a victim exploited in a fixed, remote location, over many years.
- 46. Females are the most commonly identified potential victims of sexual exploitation. Adult services websites almost certainly remain a key enabler, although there has been a slight decline in reporting in the past year. Despite the closure of



6,993 

people were referred to the National Referral Mechanism in calendar year 2018 as potential victims of MSHT.⁸

36% 

increase in referrals of potential victims to the National Referral Mechanism in calendar year 2018, relative to 2017.⁹

45% 

of referrals to the National Referral Mechanism in calendar year 2018 were exploited as children (under 18).¹⁰

Backpage.co.uk (one of the most commonly used adult services websites) and associated sites by US law enforcement, the online-enabled sexual services market remains resilient, with the number of adverts posted similar to previous years.

- 47. Victims continue to suffer criminal exploitation, including in 'county lines' drugs offending. They are used to bag drugs, act as runners or 'cuckoo' others people's premises. Most potential victims referred are males aged 15–17. However, vulnerable adults and female victims are likely to be under-reported. Beyond county lines, victims are exploited in forced begging, cannabis cultivation, and low-value, high-frequency acquisitive crime.
- 48. The main driver of offending is the pursuit of profit, by coercing victims to provide a service. Victims' vulnerability to recruitment derives from a desire for a better life, often against a backdrop of instability, lack of economic opportunity or drug addiction. Upstream, most recruitment takes place face-to-face. However, victims may be targeted online, through methods such as false job adverts.

What You Can Do

- 49. A number of signs of MSHT offending may be visible. Victims may show signs of physical or psychological abuse, look malnourished or unkempt, and have few or no personal effects. This includes regularly wearing the same items of clothing.
- 50. Victims may appear to be under the control or influence of others, rarely being allowed to travel on their own. This includes transport to and from the workplace, where they may work long hours with inadequate personal protection equipment.
- 51. Victims may be reluctant to seek help, out of fear of contacting law enforcement or suffering reprisals from offenders.
- 52. If you suspect someone to be a victim of MSHT, contact the 24/7 Modern Slavery Helpline on 0800 0121 700, or 999 for emergencies. To remain anonymous, contact Crimestoppers on 0800 555 111 or visit www.crimestoppers-uk.org

Case Study

In October 2018, six members of a family-run OCG and two landlords were jailed for modern slavery offences. The family originated from Kosice in southeast Slovakia. Over multiple years, they trafficked individuals and families from Kosice to Leeds, either promising them a better life or threatening them into travelling to the UK. The victims were mainly Roma families and single vulnerable males living in poverty or with substance dependency issues.

The offenders paid for the victims' travel, arranging accommodation and work at a Leeds-based construction company owned by two of the defendants. Victims were forced to work ten hours a day, six days a week, for as little as £5 per day. One individual was paid just £3,000 for three years of work. Families and children were also controlled for the theft of their benefit entitlements. Some turned to begging to feed their children, with offenders controlling the victims' bank accounts. 37 victims, aged 1–57, received positive conclusive grounds decisions from the National Referral Mechanism. In October 2018, the offenders were jailed for a total of 24 years, 9 months.

Nationalities of MSHT Offenders Impacting the UK

	Top 10 MSHT Offender Nationalities Impacting the UK, 2018. ¹¹
1	British
2	Romanian
3	Albanian
4	Vietnamese
5	Chinese
6	Lithuanian
7	Polish
8	Slovakian
9	Irish
10	Hungarian




The biggest increases in referrals in 2018 related to exploitation in the UK. However, as many as 34% of referrals related to claims of exploitation abroad.¹⁴

The past year has seen increasing use of higher-risk methods of clandestine entry

Organised Immigration Crime

- 53. Organised immigration crime (OIC) involves the movement of a person across borders, without legal permission or documentation. It can also involve individuals illegally remaining in a country. A range of methods are used in OIC that directly impact the UK. These include clandestine entry from near Europe, air-facilitated migration, use of false or fraudulently obtained documents, and abuse of legitimate entry and leave to remain.
- 54. Unlike human trafficking, the law assumes the permission of the individual being smuggled, making them complicit in the act. However, offenders can exploit migrants' desperation, offering services that are dangerous or unlikely to succeed. Increasing referrals for claimed exploitation overseas also suggest continued alignment between MSHT and OIC upstream.
- 55. In 2018, the threat from near Europe continued to evolve, with new migrant camps emerging in the Grande-Synthe and Puythouck Lake areas near Dunkirk. OCGs are known to be active in the camps, recruiting migrants for onward movement to the UK through a range of OIC methods. There is evidence that groups that were previously in conflict are now cooperating in the management of criminal services from camps.

- 56. Juxtaposed border controls remain the main targets for clandestine entry into the UK. These controls are part of an arrangement between the UK, France and Belgium, whereby immigration checks on certain cross-Channel routes take place before boarding a train or ferry, rather than on arrival. In 2018, the number of Eritreans detected at juxtaposed controls increased notably, with Eritrean nationals found concealed in refrigerated lorries and containers, likely indicating growing levels of organisation.
- 57. The past year has seen increasing use of higher-risk methods of clandestine entry. These include the movement of migrants (including children) into the UK in containers, refrigerated HGVs

 **£400-£13,000**
Range of amounts paid by migrants across methodologies to travel from France to the UK, as recorded in December 2018.¹⁵



Use of higher-risk methods in 2018, including containers, refrigerated HGVs and small boats.

and small boats, at a high risk to life of those migrants smuggled.

58. As an example, since October 2018, there has been marked growth in the use of General Maritime methods from northern France, mainly involving Iranian nationals. However, this represents only a small proportion of all clandestine attempts to enter the UK.
59. The threat from illegal movement of people to the UK through air-facilitated travel has remained stable over the past year. Economic opportunities in the UK continue to drive this form of OIC.
60. Entering and remaining in the UK by fraudulently obtaining a visa or immigration status remains a commonly used criminal methodology. However, recent law enforcement activity has helped to reduce some previous vulnerabilities.
61. False and fraudulently obtained identity documents remain a key enabler of multiple types of offending. Production hubs for false documents have been identified both in the UK and overseas.

What You Can Do

62. The public may hold information of value to law enforcement. Significant investigations into OIC offences have benefited from the receipt of information from members of the public.
63. A range of signs of OIC may be visible, including:
 - Activity at isolated coastal locations or at unusual times of day, including attempts to guide vessels offshore to unusual landfall. Crew showing signs of nervousness.
 - Strange patterns of payment being made, such as the receipt of frequent cash payments from multiple sources through bank accounts.
64. In an emergency, call the police. To report OIC anonymously, go to www.gov.uk/report-immigration-crime, call the Immigration Enforcement hotline on 0300 123 7000, or contact Crimestoppers on 0800 555 111 or www.crimestoppers-uk.org

Case Study

In the early hours of a cold January morning in 2019, a white rigid-hulled inflatable boat departed the French coast in the vicinity of Boulogne, travelling at high speed towards the UK coast. The vessel was carrying over 30 Iranian migrants attempting to enter the UK illegally and claim asylum. The vessel was intercepted by French authorities and, in collaboration with Border Force, was brought in to Dover.

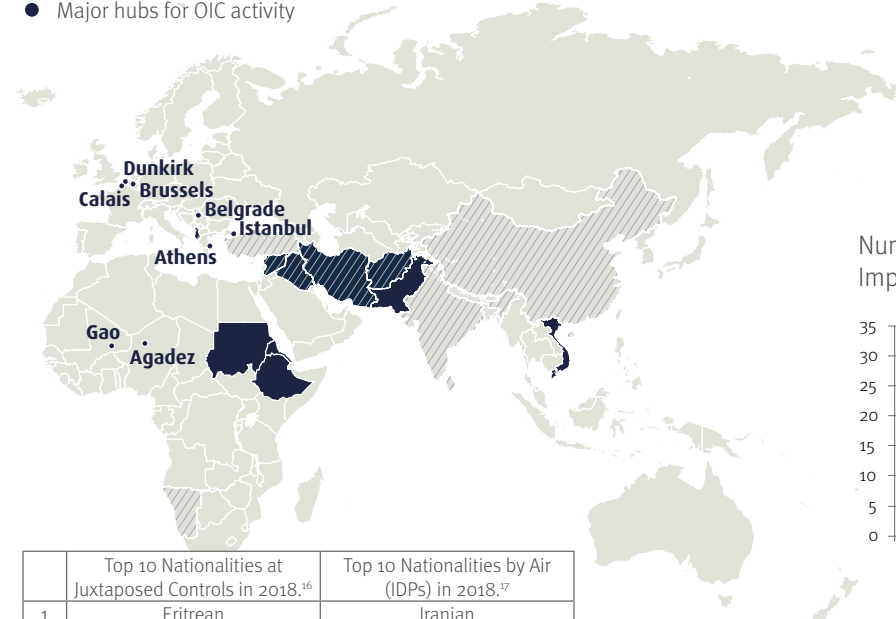
Those on board were attempting to leave behind economic difficulties in Iran to join a thriving Iranian diaspora in the UK. The group had transited informal migrant camps in northern France before boarding the vessel. Conditions in camps are poor, with many camps controlled by OCGs willing to use violence to threaten migrants into travelling to the UK by boat. The crossing made by the group is by far the most dangerous route for irregular migrants looking to enter the UK, with a high risk to life.



Organised Immigration Crime

Irregular Migration at UK Borders

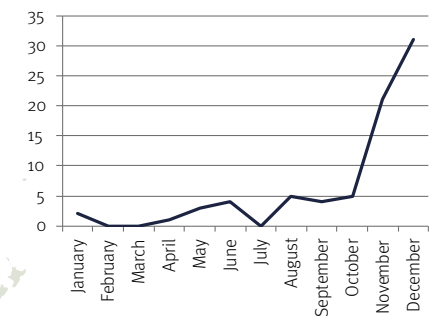
- Top 10 nationalities: irregular migration at juxtaposed border controls
- ▨ Top 10 nationalities: inadequately documented passengers (IDPs) by air
- Major hubs for OIC activity



	Top 10 Nationalities at Juxtaposed Controls in 2018. ¹⁶	Top 10 Nationalities by Air (IDPs) in 2018. ¹⁷
1	Eritrean	Iranian
2	Iraqi	Albanian
3	Afghan	Chinese
4	Iranian	Afghan
5	Albanian	Indian
6	Sudanese	Iraqi
7	Vietnamese	Turkish
8	Pakistani	Sri Lankan
9	Syrian	Syrian
10	Ethiopian	Namibian

The table and map show the top 10 nationalities attempting irregular entry to the UK via juxtaposed controls and air. Both often involve OCG facilitation.

Number of General Maritime Events Impacting the UK in 2018.¹⁸



<1%

Despite the increase in General Maritime events shown in the graph above, this accounted for less than 1% of total irregular migrant detections in 2018.



Impact of SOC

on Communities

65. This section covers the operations of those who dominate communities and chase profits in the criminal marketplace, using violence and criminal reputations in the supply of drugs and firearms. The three main threats in this area are:
- Firearms
 - Drugs
 - Organised Acquisitive Crime
66. There remains a strong connection between drugs supply and firearms use and recovery, with firearms used to protect and enable criminal interests. Firearms are regularly found at drugs incidents and alongside drug seizures.
67. Communities across England, Wales, Scotland and Northern Ireland continue to feel the impact of SOC-related violence. Victims may suffer directly at the hands of criminals, or indirectly, finding themselves caught in the cross-hairs of inter-OCG violence. County lines drugs supply involves the supply of Class A drugs from urban hubs to country towns, and continues to involve the use of violence and exploitation of children and vulnerable adults.
68. Beyond this, growing violence has been observed across other crime types, such as organised acquisitive crime. Instead of avoiding contact, offenders in areas such as car key crime are increasingly seen confronting victims directly, thereby posing an increased physical risk.

It is highly likely that there is a fluid supply of unused firearms into the criminal marketplace

Firearms

69. Levels of offending involving firearms in the UK remain among the lowest in the world, with offences involving firearms accounting for less than 1% of all reported crime. According to the Office for National Statistics, police recorded offences involving firearms declined by 2% in calendar year 2018, relative to the previous year. This decline comes in the wake of a longer-term rise since 2014 in the number of offences in the UK in which firearms are present.
70. Whilst firearms are used in a range of criminality, there remains a strong connection between drugs supply and firearms use and recovery, with firearms regularly found at drugs incidents.
71. It is highly likely that there is a fluid supply of unused firearms into the criminal marketplace. This supply occurs predominantly through illicit importation and through previously legally held weapons entering criminal hands after being stolen, diverted or modified in the UK.
72. The majority of criminal firearms are handguns (pistols and revolvers), which also cause the majority of fatalities. The second most popular criminal firearm is the shotgun, with increasing incidents reported over the past year. As

handguns and automatic weapons cannot generally be lawfully held on licence, they are often smuggled in from overseas, alongside associated ammunition.

73. Illegal suppliers in near Europe almost certainly act as consolidation points for criminal firearms and ammunition obtained from varied upstream sources. Sourced by UK-based criminals, they are primarily trafficked via Roll-On Roll-Off ferry, in cars, vans and HGVs into south eastern and eastern UK ports.
74. Some handguns, particularly forward venting blank-firers and low-energy, small-calibre (e.g. Flobert) firearms, are shipped to the UK in fast

<1% 

of all reported crime in the UK in calendar year 2018 comprised offences involving firearms, although such offences inflict disproportionate harm.¹⁹

 **29 victims**

of homicide were killed by shooting in the year ending March 2018, 3 fewer than the previous year.²⁰



parcels following purchase from online dealers based in mainland Europe. These handguns are legal to own in some EU countries, but are prohibited in the UK. Some are intended for use in their original form, whereas others are converted to fire live or more powerful ammunition.

- 75. Domestic lawful to unlawful diversion of firearms continues to be regularly seen, while the number of shotgun discharges has increased in the last two years. This comes alongside an increasing number of thefts of firearms from domestic certificate holders.
- 76. In addition to those that are lost or stolen, firearms enter the criminal marketplace through domestic conversion, modification and reactivation of imported weapons. They also enter the criminal marketplace via rogue registered firearm dealers, although the vast majority are law abiding.
- 77. Firearms make up a small proportion of commodities sold via the dark web, with drugs continuing to comprise the majority of commodities on sale. However, the dark web remains a viable avenue for acquisition and supply, including for individuals with limited or no known criminal association.

What You Can Do

- 78. Suppressing the availability of illegal firearms in the UK is a law enforcement priority. Significant harm is caused to communities across the UK by weapons that have been illicitly imported or were previously legally held and then stolen, diverted or modified for use. Criminal networks also present a potential route by which terrorists may try to access weapons for use.
- 79. To stop firearms getting into the wrong hands, UK law enforcement depends on intelligence about firearms access, supply and use. The public may possess valuable information that can help law enforcement.
- 80. Significant NCA-led investigations in the last 12 months would not have been possible were it not for the receipt of this type of information from members of the public.
- 81. Anyone who has information about illegally held guns or ammunition should contact the police. Alternatively, if you wish to remain anonymous, call Crimestoppers on 0800 555 111 or visit www.crimestoppers-uk.org

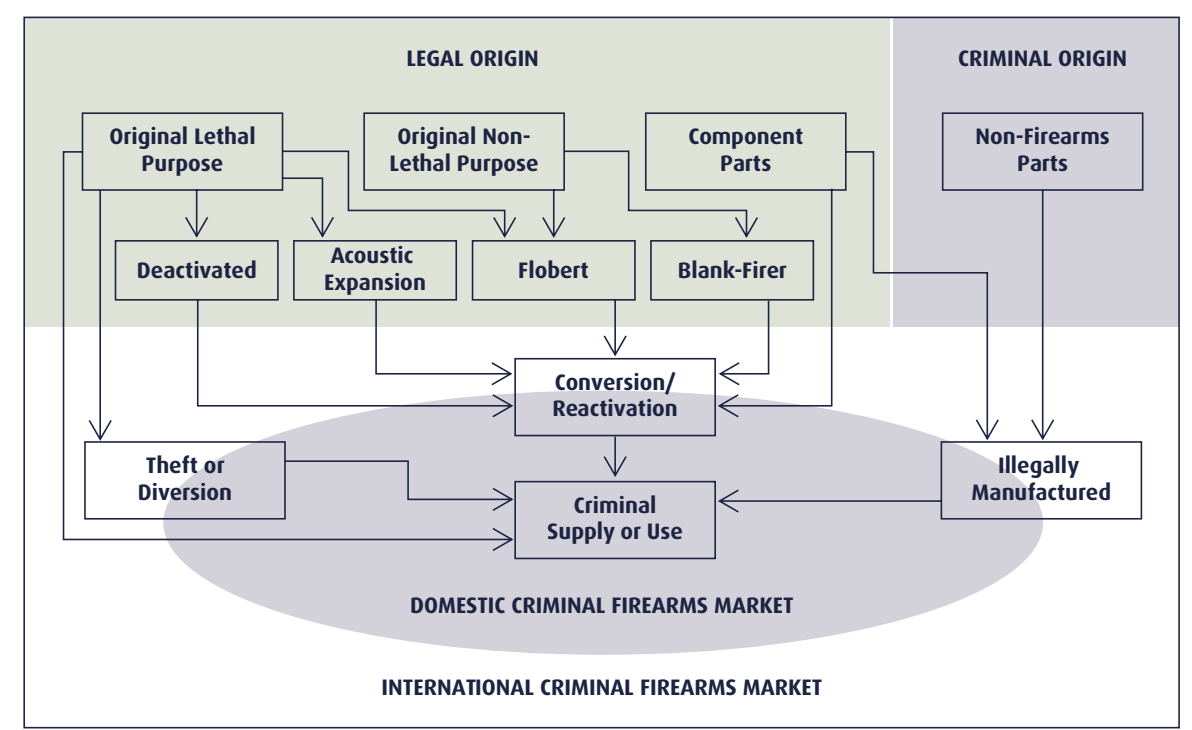
Case Study

In January 2019, an Edinburgh-based, 48-year-old man was sentenced to five years' imprisonment for importing a Glock semi-automatic handgun, ammunition and silencer from the US to Scotland, in the first major success of the recently formed Organised Crime Partnership (Scotland).

The individual was the subject of an Organised Crime Partnership (Scotland) inquiry in September 2018, after purchasing the weapon and ammunition via the dark web and attempting to have them imported into Scotland.

Through close co-operation with international partners, including partners in the US, the Organised Crime Partnership (Scotland) conducted inquiries at addresses linked to the individual in Edinburgh. The individual was arrested and charged in December 2018.

Origin of Criminal Firearms in the UK



Across the UK, there is evidence of a resilient supply chain servicing the market for cocaine hydrochloride and heroin

Drugs

- 82. In the UK, demand for all common drug types remains high. In the year ending December 2018, 144,741 drugs offences were committed, an increase of 7% on 2017, according to the Office for National Statistics. Activity against the drugs threat continues to account for the largest proportion of UK law enforcement disruptive activity and criminal justice SOC outcomes.
- 83. Drug-related deaths in the UK remain at historically high levels. In 2017 (the latest official figures available), 4,826 deaths were reported as drug-related. However, significant regional variations exist in drug-related death rates. Reporting for Scotland in 2017 points to a drug-related death rate per head of population more than double that of the UK as whole.
- 84. Across the UK, there is evidence of a resilient supply chain servicing the market for cocaine hydrochloride and heroin. Seizures of cocaine at the UK border increased in the first quarter of 2018 (the latest official figures available), by 294% on the same period in 2017. Multi-tonne shipments to the UK have become increasingly common. 2018 also witnessed the largest reported seizure of cocaine in air passenger and General Aviation modes.

- 85. Purity levels for cocaine are at historically high levels, with strong demand in the UK for high-cost, high-purity cocaine. It is a realistic possibility that increased adulterant seizures at borders have driven increased street-level purities in the UK.
- 86. There are indications of increased use of crack cocaine in the UK. Purities have continued to rise over the last five years and are now at their highest recorded levels. There is little evidence to suggest that crack cocaine is being imported into the UK in significant volumes, pointing to domestic production.
- 87. Seizures of heroin internationally have been broadly stable in terms of numbers of incidents.

934 
 recorded drug-related deaths in Scotland in calendar year 2017, a rate per head of population more than double that of the UK as a whole.²¹

4,826 
 drug-related deaths reported in the UK in calendar year 2017.²²

However, seizures in 2018 were almost twice as large by volume as those in 2017. In the UK, heroin purities remain consistently high. Heroin imported via courier continues to be seized, although air freight and other modes of smuggling are also used.

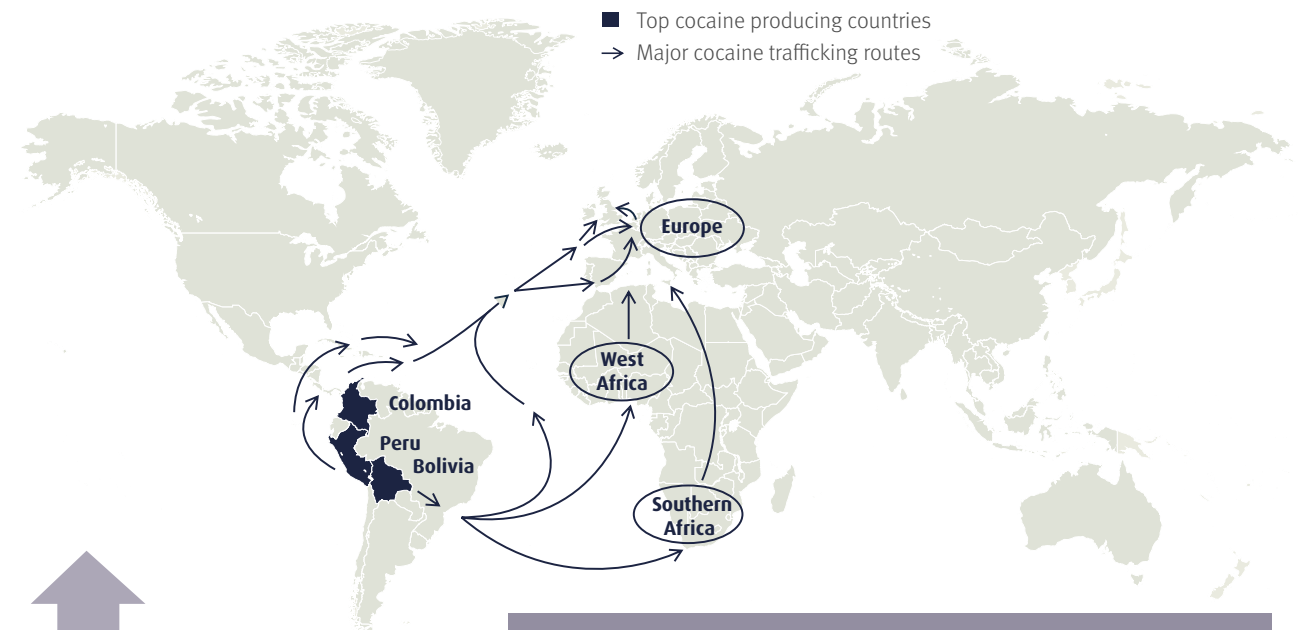
88. The market for synthetic drugs appears to be expanding, with increased seizures and a widening geographical market for amphetamine, methamphetamine, Synthetic Cannabinoid Receptor Agonists (e.g. Spice, Black Mamba) and Xanax. This comes alongside an increase in the importation of chemicals required to manufacture illegal drugs (precursors), indicating large-scale UK production. There appears to be continued demand for fentanyl, with reporting of fentanyl mixed with heroin low but increasing.
89. Our understanding of the county lines model of supplying Class A drugs to rural areas continues to improve. Over 2,000 unique deal lines are now estimated to be active in the UK. The county lines model is linked to violence, including the use of firearms, and relies on the targeting of vulnerable individuals to facilitate drug supply.

What You Can Do

90. Exploitation through drug trafficking – including county lines – is widespread, with gangs from cities such as London, Birmingham and Liverpool operating across England, Wales and Scotland. A young person involved in county lines activity may exhibit some of the following signs:
 - Persistently going missing from school or home, or being found out-of-area. Significant decline in school results or performance.
 - Unexplained acquisition of money, clothes or mobile phones.
 - Excessive receipt of texts or calls, possibly on multiple handsets.
91. Signs of county lines activity may also include the home addresses of vulnerable individuals being taken over, or ‘cuckooed’, by unknown people.
92. If you suspect someone of being involved in drug-related crime, contact the police, or Crimestoppers on 0800 555 111 or www.crimestoppers-uk.org



Illustrative Drug Trafficking Routes: The Case of Cocaine



294%
increase in seizures of cocaine at the UK border in quarter 1 2018, compared to quarter 1 2017.²³

This map represents a simplified depiction of cocaine trafficking routes based on NCA analysis. For more detailed information on both cocaine and heroin trafficking routes, please see: United Nations Office on Drugs and Crime, ‘World Drug Report 2018’, at www.unodc.org/wdr2018/

Case Study

In March 2019, two UK nationals were jailed for attempting to import 1.4 tonnes of cocaine into the UK on a 60-foot sailing yacht. The estimated wholesale value of the cocaine was £44,896,000, with an approximate street value of £112 million.

On 29 August 2018, in an NCA-led operation, the yacht SY Nomad was intercepted by the Border Force cutter Vigilant off the coast of Cornwall, having sailed from Suriname in South America. The yacht was brought into Newlyn Harbour, where officers found more than 1,400 kilo blocks of cocaine in locked storage containers, and a significant amount of cash. One of the offenders had previously purchased a rigid-hulled inflatable boat, which officers believe was due to meet the SY Nomad at sea, moving the drugs to the UK for onward distribution. The two UK nationals, as well as three crew from Estonia, the Netherlands and Latvia, were jailed for a total of 120 years.

Established organised acquisitive crime types include car key burglary, family gold burglary and ATM theft

Organised Acquisitive Crime

- 93. Organised acquisitive crime (OAC) covers a range of threats, including organised vehicle crime, commercial robbery, wildlife crime, and heritage and cultural property crime (offences against the historic environment). OAC offences can be committed by criminals who travel across law enforcement boundaries, and have links to other, often more serious organised criminality. Established OAC types include car key burglary, family gold burglary and ATM theft, with the intelligence picture on cultural property crime and firearms obtained via burglary still developing.
- 94. In the past year, there has been a rise in OAC, after decades of declining offending attributed to improved security measures and other crime prevention tactics. According to the Office for National Statistics, vehicle offences reported to the police increased by 2% in calendar year 2018 relative to calendar year 2017, while overall theft offences rose by 8%. HGV-targeted vehicle crime also rose, with intelligence suggesting that offenders are organised travelling criminals, using the road network to move around the country.
- 95. After a period of sustained decline this decade, rising demand for metals such as cobalt has made metal theft one of the fastest growing crimes

globally. According to the Office for National Statistics, metal theft offences increased by 25% in the year ending March 2018, compared to the previous year.

- 96. The potential harm to citizens from OAC has increased in the past year. In some cases, offenders show a growing propensity for violence if confronted. For example, confrontations during car key burglaries are increasing.
- 97. OAC is assessed to enable other SOC activity. For example, firearms stolen through OAC can be used in broader SOC activity. The ability of offenders to travel widely poses challenges to law enforcement. For example, mobile OCGs active on both sides of the Irish border continue to impact substantially on burglary in Northern Ireland.



increase in vehicle offences recorded by the police in calendar year 2018, compared to 2017.²⁴



increase in overall theft offences recorded by the police in calendar year 2018, compared to 2017.²⁵



increase in metal theft offences in the year ending March 2018, compared to the year ending March 2017.²⁶



Harm to the UK's Economy and Institutions

98. This section covers the operations of those who undermine the UK's economy, integrity, infrastructure and institutions through their criminality. Threats in this area include:

- Money Laundering
- Fraud and Other Economic Crime
- International Bribery, Corruption, Sanctions Contravention
- Cyber Crime

99. In some cases, such as fraud, victims can be vulnerable individuals, with lower technological

awareness or out-of-date cyber security software enhancing their vulnerability. However, in contrast to many other threats covered previously, direct targets are often private or public sector institutions.

100. For private companies, criminal activity such as cyber attacks can critically damage commercial reputations and systems. For public institutions, threats such as fraud can remove crucial resources, impeding their ability to serve the public.

101. Collectively, the damage caused can be substantial, putting at risk the very infrastructure, institutions and integrity on which UK citizens' day-to-day lives depend.

Criminals continue to use UK and overseas corporate vehicles to move and conceal illicit funds




Money Laundering

- 102. There remains no specific figure for the total value of laundered funds impacting on the UK. However, given the volume of financial transactions transiting the country, it remains a realistic possibility that the scale of money laundering impacting the UK is in the hundreds of billions of pounds annually.
- 103. Criminals continue to use UK and overseas corporate vehicles to move and conceal illicit funds. A range of vulnerabilities are exploited to circumvent controls, with continued use by offenders of nominee directors, shell companies and trusts to conceal beneficial ownership.
- 104. Accountants and solicitors continue to be used to facilitate the movement and concealment of illicit funds, as seen in many high-value illicit finance and proactive asset denial investigations in the past year. A growing number of professional money launderers have been observed working outside of or in combination with international controller networks.
- 105. OCGs continue to introduce criminal cash into the banking sector through the use of money mules – individuals who allow their bank accounts to be used to move money. However, as the UK retail

banking sector becomes increasingly aware of the threat posed by the movement of cash into compromised or exploited accounts, criminals have increasingly looked to move cash in bulk out of the country.

- 106. A rise in values of individual seizures in the past year points to growing OCG confidence in the ability to move cash undetected. Some of the highest recorded seizures of criminal cash took place in the past year, both domestically and across the UK border, with the criminal use of Money Service Businesses continuing to be seen. In the past year, a number of seizures of gold have been made at UK borders, with operational activity indicating the role of gold as a commodity used to launder criminal funds.

>£100 billion 

The potential scale of money laundering impacting annually on the UK.²⁷

>£51 million 

denied to criminals as a result of defence against money laundering requests, April 2017–March 2018.²⁸

- 107. Trade-based money laundering (TBML) remains a significant threat, involving the exploitation of trade and financial systems to disguise the movement of illicit funds. Techniques such as front companies, ‘ghost’ or ‘phantom’ shipping continue to be used (the latter two involving the falsification of documents to disguise transfers of criminal proceeds as payments for goods or services that never existed). Third-party payments are also a hallmark of TBML, whereby goods are sold to a company but payment is received from a different and apparently unrelated source.
- 108. The scale of trading through London’s capital markets is likely to make it highly vulnerable to money laundering. However, detecting incidents remains challenging due to the sophistication and complexity of the methods and techniques used by offenders.
- 109. Cryptocurrencies and Alternative Banking Platforms continue to be used to launder funds, although their use remains lower than other money laundering methods. Alternative Banking Platforms are an unregulated form of shadow banking that makes use of bespoke software to provide online banking services in high-risk jurisdictions.

What You Can Do

- 110. Members of the public are advised to stay alert to signs of recruitment of money mules. Offenders may seek to recruit mules by:
 - Asking people, in person or online, to receive or transfer money into or from their bank accounts, offering a cut in return. Alternatively, providing people with cash and paying them a nominal fee to purchase goods for shipment overseas, to minimise traceability.
 - Conning people into becoming mules unwittingly, by asking for bank details via seemingly genuine job adverts. Signs of recruitment include adverts proclaiming ‘easy job; work from home; big cash pay outs’ or ‘instant money; minimal hours’.
- 111. Identified mules may have their accounts closed, be unable to obtain new accounts, phone contracts or credit, and can face prison terms of up to 14 years. Visit www.moneymules.co.uk for further advice, or call the police or Crimestoppers on 0800 555 111 or www.crimestoppers-uk.org.

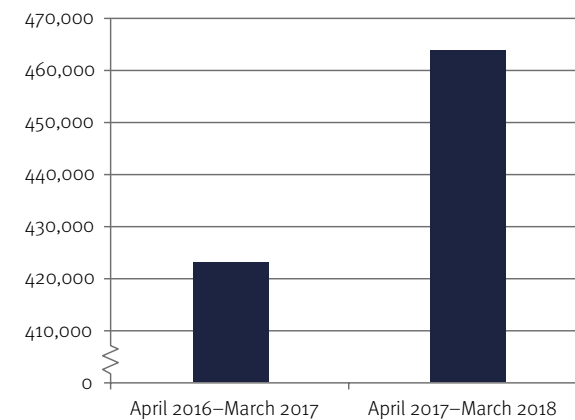
Case Study

In February 2019, account freezing orders were placed on 95 UK bank accounts containing an estimated £3.6 million. The money in the accounts was suspected to be either the proceeds of crime or intended to be used for criminal purposes. The accounts were held mainly by overseas students studying in the UK, who may have been unaware that operating a bank account in this manner is illegal. The students were likely to have been targeted by OCGs to launder the proceeds of crime. Methods associated with money laundering identified across the accounts included:

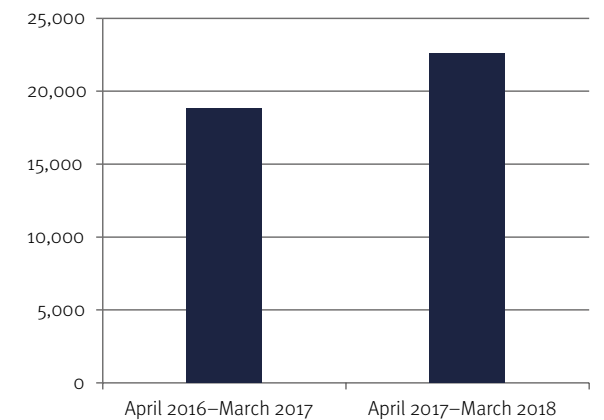
- Small and frequent cash deposits paid into the accounts from different locations to avoid scrutiny by the bank, a technique known as ‘smurfing’.
- Use of cash deposited in the accounts to buy goods which were exported to China, without any connection between the party ordering the goods and the source of funds in the account.

Reporting of Suspicious Activity

Number of Suspicious Activity Reports Received.²⁹



Number of Defence against Money Laundering Requests Received.³⁰



A Suspicious Activity Report is a piece of information that those entities required to report by law (e.g. banks) file to alert law enforcement that certain client or customer activity is in some way suspicious and might indicate money laundering or terrorist financing.

A Defence against Money Laundering can be requested from the NCA when a reporting entity has a suspicion that the property they intend to deal with is in some way criminal.

Fraud remains the most commonly experienced crime in the UK, with an estimated overall cost of £190 billion³¹

Fraud and Other

Economic Crime

Fraud and Other Economic Crime

- 112. Fraud remains the most commonly experienced crime in the UK, with an estimated overall cost of £190 billion. It covers a wide range of activity, with fraudsters targeting individuals, businesses, charities and the public sector through a range of criminal techniques.
- 113. Reported fraud continues to increase in volume. According to the Office for National Statistics, in calendar year 2018, reports of fraud rose by 12% compared to the previous year, to a total of 3.6 million incidents. Fraud as a whole continues to be significantly underreported. In 2017/18, only 3% of reported fraud led to criminal charges, summons, cautions or community resolutions, limiting meaningful analysis of the OCGs involved.
- 114. The use of cyber tools to commit fraud allows offenders to target the UK from almost anywhere in the world, and to transfer the proceeds overseas. The use of dark web platforms and virtual private networks continues, allowing offenders to hide their identity and location.
- 115. 'Social engineering' remains a key methodology, which involves fraudsters using manipulation and deception to trick victims into giving out

personal information or funds. In many cases, criminals exploit well-publicised data breaches and IT problems to trick customers into handing over their data.

- 116. Mandate fraud has proven highly lucrative over the past year, and occurs when fraudsters obtain details of direct debits, standing orders or account transfer details, and amend them to divert monies to other accounts. Mandate fraud presents an existential threat to UK businesses. According to the City of London Police, it is now the fraud with the highest reported losses by the private sector (£46 million from April–September 2018) and the third highest reported losses by individuals (£38 million from April–September 2018).



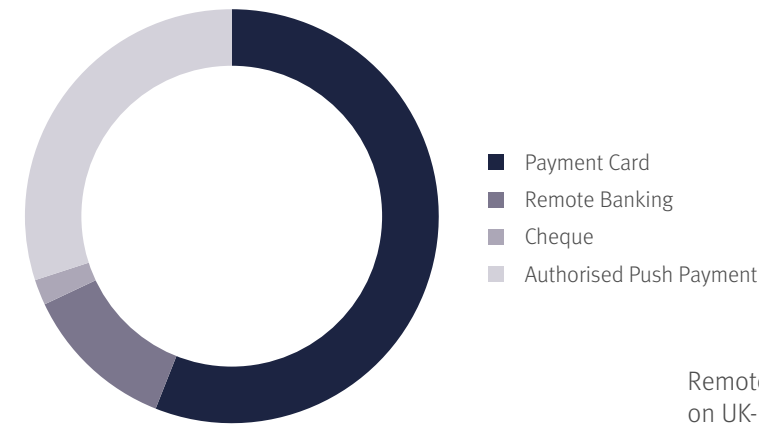
- 117. Investment, pension and dating fraud represent fraud types with the highest potential impact on individuals. Reports of dating fraud, in particular, increased over the past year, with over £50 million lost to romance fraud in 2018, according to Action Fraud. This represents an average loss of £11,145 per victim.
- 118. Alcohol and tobacco fraud continue to contribute billions of pounds to the UK tax gap, with estimates showing a slight increase in tobacco fraud in recent years.
- 119. In terms of other economic crime, the introduction of the polymer £10 note saw a significant decrease in the volume of counterfeit £10 notes seized in 2018. However, this has been offset by a significant increase in seizures of counterfeit £20 and £50 notes produced by OCGs, with the majority of a higher quality than previously seen.
- 120. In terms of financial market abuse, organised insider dealing rings continue to pose the greatest threat by value of illicit gains. These rings are believed to operate by recruiting insider sources.

What You Can Do

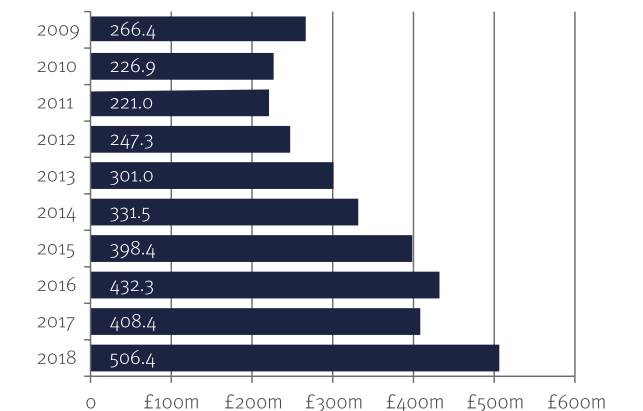
- 121. To minimise the threat of fraud and scams, the following general advice is offered to the public:
 - Protect your personal and security details. Never reply to emails asking for your personal or security information and never click on links within suspicious emails.
 - Never set up new or change existing payment details without verifying the request directly with the person or company you are paying.
 - Never transfer money out of your account if asked to do so for 'security reasons'.
 - Download trusted online security software (for free) to protect you when banking online.
- 122. For advice, visit www.takefive-stopfraud.org.uk. To report fraud, contact UK Action Fraud on 0300 1232040 or www.actionfraud.police.uk. Alternatively, contact the police, or Crimestoppers on 0800 555 111 or www.crimestoppers-uk.org

2018 Financial Fraud Losses

Total 2018 Financial Fraud Losses by Type.³⁵



Remote Purchase (Card Not Present) Fraud Losses on UK-Issued Cards in 2018.³⁶



Case Study

In May 2018, a 26-year-old man from Sheerness in Kent was jailed for 10 years, 8 months for conspiracy to commit fraud and computer misuse, among other offences. The individual had carried out cyber attacks on a number of high street names, to harvest and subsequently sell personal data.

Details were harvested in two ways: through phishing emails and 'cybersquatting' well-known sites providing services. For example, the subject sent phishing emails purporting to be from an online takeaway service. 63,000 credit and debit card details from this and other attacks were found on his encrypted drive. Customer details were then sold on the dark web, with transactions made in cryptocurrencies. By the time of his arrest by the Metropolitan Police Service, the individual had accrued over £500,000 in credit in Bitcoin, and £25,000 in cash, all of which was forfeited on conviction. The value of subsequent fraud committed is unknown.

Fraud and Other

Economic Crime

Sanctions contravention directly impacts the UK by undermining the integrity of the financial system

International Bribery,

Corruption, Sanctions

Contravention

International Bribery, Corruption, Sanctions Contravention

- 123. UK contractors are highly likely to continue to pay bribes overseas to do business. Mining and extractive industries remain those most vulnerable, particularly oil and gas. Large-scale infrastructure and development projects overseas are also at risk. As well as a crime in its own right, bribery can cause other societal harms. For example, bribes paid to secure construction contracts using sub-standard material could have future health and safety impacts on the public.
- 124. The methods used to pay bribes remain unchanged. In-country intermediaries continue to facilitate and negotiate bribe payments, using their local knowledge and connections with foreign Politically Exposed Persons and decision makers.
- 125. It is a realistic possibility that the UK's exit from the EU will impact the prevalence of bribery and corruption over the next five years, as UK companies potentially come into greater contact with corrupt markets.
- 126. Sanctions contravention directly impacts the UK by undermining the integrity of the financial system, potentially contributing to the funding of terrorism

and proliferation of weapons of mass destruction. The scale of sanctions contravention is difficult to measure and to separate from other financial crime types. It includes serious offences, but also behaviour for which prosecution or penalties would not be appropriate. From April 2017 to March 2018, the Office of Sanctions Implementation received 122 reports of suspected breaches of financial sanctions, at a reported value of £1.35 billion.

- 127. The use of UK Trust and Company Service Providers remains a key enabler across a range of economic crime types, including the circumvention and contravention of sanctions. Sanctioned individuals almost certainly use UK Trust and Company Service Providers regularly for advice on corporate vehicles or jurisdictions in which to conceal assets.

 **122 reports**
of suspected breaches of financial sanctions received, April 2017–March 2018.³⁷

 **£1.35 billion**
Estimated value of reports of suspected financial sanctions breaches received, April 2017–March 2018.³⁸

In the past year, law enforcement has grown increasingly aware of crossovers between prominent cyber OCGs

Cyber Crime

128. The threat from cyber crime to the UK continues to evolve in terms of its complexity. Russian-language OCGs behind financial Trojans present the biggest cyber crime threat to the UK. These Trojans are a form of malicious software targeting online banking users. They are just one of a broader range of forms of malicious software (malware) designed to disrupt, damage or gain unauthorised access to a victim's device. Elite cyber OCGs increasingly use 'modular malware', which offers a multitude of opportunities beyond the immediate theft of financial data. These include the use of ransomware – a form of malware that restricts access to a device or network until a ransom is paid.

129. In the past year, law enforcement has grown increasingly aware of crossovers between prominent cyber OCGs, with malware associated with different OCGs appearing more regularly in the same campaigns. These malware crossovers are likely to indicate that cyber criminals from different groups are working more closely together than previously assessed.

130. The tools and techniques employed by elite cyber OCGs can be as sophisticated as those used by nation-state threat actors. Conversely, some state-

associated groups have reportedly used cyber criminal infrastructure and money laundering networks, including in the UK, to further their activity. The ability of some elite cyber groups to develop their activity despite the arrests of leading members implies that they are more resilient and decentralised than previously assessed.

131. Ransomware remains a highly visible part of the threat landscape, with numbers of recorded infections stable compared to 2017. The OCGs responsible for SamSam, Ryuk and BitPaymer ransomware are likely to target victims based on assessments of the victim's value, setting ransoms accordingly. These tools are commonly used as part of a wider cyber criminal toolkit, and in some instances have been deployed after



an earlier malware infection. Over the past year, the targeting of businesses over individuals has remained a key trend.

- 132. Spam and phishing emails (emails containing malicious content) remain the primary malware infection methods. At the same time, use of traditional 'in-the-browser' exploit kits, such as RIG, continues to decline. Malicious documents attached to emails can resemble exploit kits insofar as they target vulnerabilities in common software packages.
- 133. Online data is of value to a wide range of cyber threat actors, but the financial data most coveted by cyber criminals is changing. Improved global credit card security is highly likely to have encouraged criminals to target CVV data of the type 'scraped' from payment pages during high-profile breaches in 2018. This is done in light of the fact that CVV data can be used in subsequent fraudulent activity.
- 134. UK-based virtual infrastructure, including command and control panels and communication servers, has increasingly been identified in law enforcement investigations. It is unclear if this is indicative of improved law enforcement ability to detect criminal assets or reflects growing criminal use of UK hosting services.

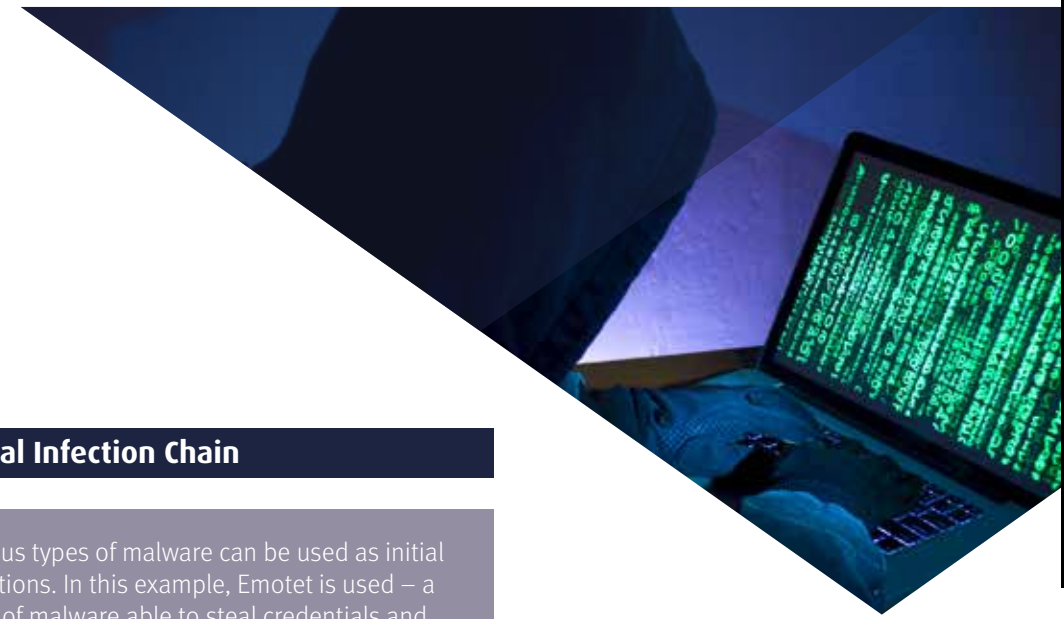
What You Can Do

- 135. There are a number of actions that you can take to protect yourself and your information on the Internet. These include:
 - Keeping security software up-to-date and installing a firewall. Setting your browser to the highest level of security.
 - Using strong, unique passwords to prevent email and password combinations being used to access other accounts.
 - Backing up important data, including key documents and photos, to an external hard drive or to cloud based storage.
 - Calling your bank or service provider to verify e-mails purporting to be from them before opening them. Banks will never send an e-mail asking you to click on a link.
- 136. For further advice, consult the National Cyber Security Centre's website at www.ncsc.gov.uk. To report cyber crime, contact Action Fraud at www.actionfraud.police.uk or on 0300 123 2040. Alternatively, contact the police, or Crimestoppers on 0800 555 111 or www.crimestoppers-uk.org

Case Study

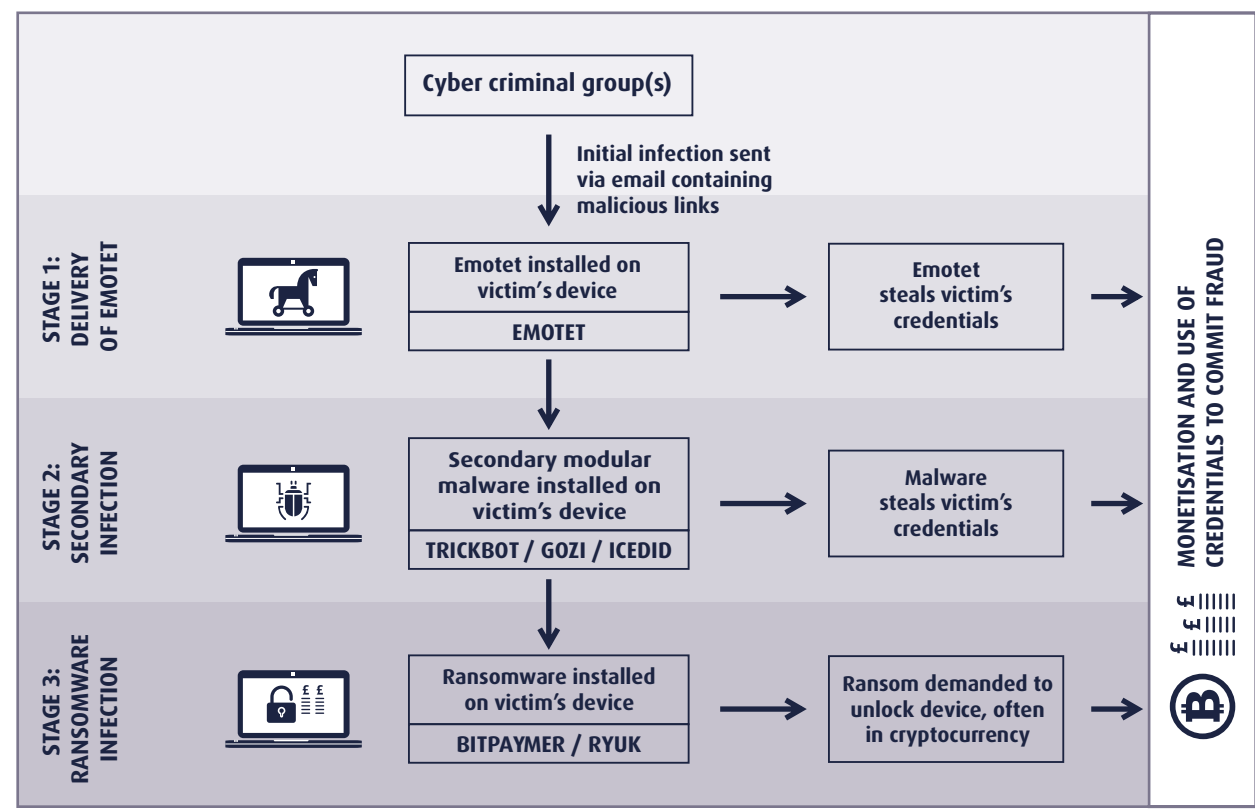
In 2018, a UK retail brand was infected with BitPaymer ransomware. Security vulnerabilities in open network ports allowed the criminals responsible to enter the network, exploiting weak passwords to elevate privileges to administrator, before encrypting the files. A text file containing the ransom demand of £200,000 was left in all infected files.

The ransomware infected the retail brand's servers, which controlled the stocking of their stores and online shop. While infected, the company was prevented from checking stock levels or operating online. Despite having backups in place, these had been left connected to the servers and were thus encrypted too. Unable to restock or trade online, the attack nearly put the company out of business.



A Typical Infection Chain

Various types of malware can be used as initial infections. In this example, Emotet is used – a form of malware able to steal credentials and drop other malware onto a victim's device.



Information in this report is based on intelligence assessment and analysis over 2018, gathered from a number of sources. The references included here cover material where information originates from partner agencies, or is already available in greater detail in the public domain. The original figures, information on methodologies and caveats are covered in the original source material. All figures in this report are rounded to the nearest whole number.

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- 20 Office for National Statistics, 'Homicide in England and Wales: Year Ending March 2018', 7 February 2019.
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- 23 Border Force seizure figures, April 2017–June 2018.
- 24 Office for National Statistics, 'Crime in England and Wales: Year Ending December 2018', 25 April 2019.
- 25 Office for National Statistics, 'Crime in England and Wales: Year Ending December 2018', 25 April 2019.
- 26 Office for National Statistics, 'Crime in England and Wales: Year Ending December 2018', 25 April 2019.
- 27 National Crime Agency, 'National Strategic Assessment of Serious and Organised Crime 2018'.
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- The UK Intelligence Community, including the National Cyber Security Centre
- Government, including the Home Office, Foreign and Commonwealth Office, Cabinet Office and HM Treasury
- Overseas law enforcement agencies and organisations, such as Europol and Interpol
- Private and third sectors, including universities, charities, NGOs, banks and other financial institutions, communication service providers and technology companies
- Regulatory and professional bodies, such as the Financial Conduct Authority



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