



35th CSCAP STEERING COMMITTEE MEETING
**THE CSCAP STUDY GROUP ON THE SIGNIFICANCE OF THE EXISTENCE OF REGIONAL
TRANSNATIONAL CRIME HUBS TO THE GOVERNMENTS
OF THE ASIA PACIFIC REGION:**
PROJECT OUTCOMES REPORT

CO-CHAIRS: AusCSCAP - CSCAPNZ - CSCAP Thailand

STUDY GROUP PURPOSE AND PROGRESS

By identifying likely facilitators of transnational crimes in the region it has been anticipated that a predictive model for emerging crime typologies that impact on regional security can be developed. This Study Group seeks to identify strategies and opportunities to counteract threats including better regional and national policing strategies - led through appropriate national and regional intelligence frameworks - supported by more appropriate regulatory environments to impede crime.

By employing a scientific approach the project seeks to identify and then assess conditions that exist which increase the probability of emergence and propagation of certain crime categories within existing regional crime hubs and the likely evolution of new crime hubs. This supports ARF, ASEAN regional security objectives and the goals of numerous sub-regional and bi-lateral agreements.

THE PROCESS TO DATE – BANGKOK & PHUKET

The Study Group has held three meetings:

At the first Study Group Meeting in Bangkok an endeavour was made to get a range of questions aiming at estimating the size and sources of proceeds of crime and ML in each country, together with some indications of the sorts of geo-political factors that might drive organized crime in, through or from the country. An initial working draft of the survey mechanism was developed primarily by John Walker, with assistance from Doug MacKinnon, based on the discussions at the first SG meeting.

At the 2nd Study Group Meeting in Phuket the draft survey was examined, discussed, added to or otherwise improved by the participants and invited experts. The outcomes and the draft survey were reported on at the 32nd CSCAP Steering Committee Meeting which approved the survey and its dissemination to all CSCAP National Committees for attention.

The 3rd Study Group Meeting was delayed due to security concerns in the Region and was held in Phuket over the 5th and 6th August 2010. It was convened in Phuket to consider the results of the national surveys and discuss the outcomes in a regional context. This meeting provided the opportunity for those National Committees that had experienced a degree of technical or interpretative difficulty with the survey mechanism to be supported with the completion of the task in a supportive workshop environment. This worked for some representatives. However The Study Group agreed that there was a need to simplify several of the survey questions and remove some that were very hard to answer. The survey was revised and re- released in its new format.

PROCESS OUTCOMES

The first survey attracted the attention of 27 potential respondents, from Australia, New Zealand, Thailand, China, Pakistan, USA, Japan, Philippines, Norway, India and Tanzania, of which responses were received only from Australia, the USA, China, Thailand and New Zealand.

Only two additional views of the survey were made, after the simplification of the survey questions and removal of those determined to be particularly difficult to answer. Both views were from World Bank staff, who had been invited to view the survey as a possible means of data collection for their work, and no responses were forthcoming.

The first conclusion from the exercise is that the response from CSCAP members was extremely disappointing. While one can only speculate about the reasons for this, it is probably a combination of lack of knowledge amongst the academic community about the levels of proceeds of crime, lack of actual data about proceeds of crime, upon which academics might base hypotheses, and sensitivities about the issues – particularly about corruption in their country.

The survey material made it clear that it was unlikely that actual data would be available to measure the proceeds of crime in any of the CSCAP countries, and that the purpose of the survey was to fill this extremely important gap in our knowledge by developing an “expert workshopping” approach, designed to identify the most likely ranges for each type of crime in each country. The introductory remarks in the on-line survey read:

To fill in this survey does require very close attention and research in order to complete. Much of the information we are seeking however will be contained in documents and reports available from government or other sources in the public domain. Where this is not immediately available we recommend that those who compile the data may like to seek the assistance of the experts in the field. For example, there may be academic or consultant reports on relevant sectors of the economy (e.g. logging, precious metals, antiquities) where studies have been conducted on the extent of illegal trading or theft).

We recommend that you first familiarise yourself with the response options available for each question, particularly where there are drop-down boxes, then print off a copy of the survey, and conduct whatever research you might find necessary before responding to the questions. You may find it helpful to form a working group of experts who will be able to work through the questions with you.

The initial question in the on-line survey was worded:

It is important to know which crime types are most significant generators of Proceeds of Crime in your country. Please Estimate the Extent of the Average Annual Proceeds of Crime in each of the following Offence Types (use US\$). We do not expect you to be able to find official statistics, but we suggest that you use a range of sources, including academic findings, expert opinion, or even media reports, to substantiate your responses.

A range of potentially contributing factors was explored, which – had there been a more generous response rate – could have identified the extent to which geographic, economic and cultural issues influence the risks from crime and money laundering.

Many CSCAP committees did promise to provide data but despite phone calls that reinforced the promises they did not deliver. It is important to note that CSCAP Thailand Participants (as hosts - they had a strong and diverse team) were able to workshop their response at the final meeting and complete the questionnaire. Their effort showed both what is accessible and available in the public domain and the value of the data collected. In fact, the work of CSCAP Thailand demonstrated the value of the project and its importance as a CSCAP initiative.

SURVEY RESULTS

The survey results – limited as they are – still provide some interesting insights.

Table 1 shows the estimated proceeds of crime (mid-ranges), expressed as percentages of GDP for the five countries for which responses were provided. The estimates range from around two percent of GDP to over 20%, with drug trafficking, corruption and bribery, environmental crime, counterfeiting and piracy of products, other fraud and money laundering itself being significant contributors.

Table 1. Estimated Proceeds of Crime, by Crime Type, as Percentages of GDP.

	Percentage of GDP					Averages
	Country 1	Country 2	Country 3	Country 4	Country 5	
Trafficking human beings & migrant smuggling	0.007	0.403	0.002	0.019	0.000	0.086
Sexual exploitation, (including of children)	0.000	0.040	0.021	0.002	0.000	0.013
Trafficking narcotic drugs & psychotropic substances	0.683	4.027	0.207	1.895	4.575	2.277
Illicit arms trafficking	0.007	0.040	0.021	0.019	0.000	0.017
Illicit trafficking in stolen and other goods	0.000	0.040	0.207	0.000	0.000	0.050
Corruption and bribery	0.000	4.027	2.073	0.189	0.000	1.258
Insider trading and market manipulation	0.068		0.207	0.002	0.000	0.069
Tax & excise evasion	0.068		0.021	0.019	0.005	0.028
Transfer Pricing	0.068			0.019	0.005	0.031
Other Fraud	0.683	0.403	0.002	0.002	0.000	0.218
Counterfeiting currency	0.000		0.021	0.000	0.000	0.005
Forgery	0.000		0.000	0.000	0.000	0.000
Counterfeiting and piracy of products	0.068	4.027	0.207	0.002	0.000	0.861
Environmental crime	0.068	4.027	2.073	0.002	0.000	1.234
Murder, grievous bodily injury	0.001		0.000	0.000	0.000	0.000
Kidnapping, illegal restraint, & hostage taking	0.000	0.040	0.002	0.000	0.000	0.008
Robbery or theft	0.007	0.403	0.002	0.002	0.046	0.092
Extortion	0.001	0.040	0.002	0.002	0.000	0.009
Smuggling	0.000	0.403	0.021	0.019	0.005	0.089
Piracy (e.g., maritime)	0.000	0.040		0.000	0.000	0.010
Illegal gambling	0.007	0.403	0.021	0.019	0.000	0.090
Money laundering	0.001	4.027	0.207		0.000	1.059
Computer Crime	0.068	0.403	0.021	0.000	0.000	0.098
Total	1.804	22.792	5.338	2.212	4.636	7.357

The results (See Table 2) also show that there is variation in the extent to which the proceeds of crime are generated in cash, other financial assets or physical assets. While drug trafficking proceeds are mostly in cash, offences such as insider trading and market manipulation, tax and excise evasion, and other frauds generate most of their proceeds in the form of other financial assets (such as stocks and shares), and piracy and environmental crime generate significant proportions of their proceeds in the form of physical assets (e.g. consignments of shipping vessels, or illegally logged timber).

This is an important feature of the proceeds of crime, since it determines – in part – how the money will be laundered. The criminal origins of cash must first be hidden in processes called “placement”, whereby the money is “placed” into the financial system through cash-friendly financiers, before it can be further laundered via the more formal banking sectors. Physical assets must, of course, first be sold to buyers either unwitting or uncaring of the criminal origins of the assets, before the proceeds of the crimes can be realised and laundered.

Table 2. Please Estimate the Cash/Financial Assets/Physical Assets Percentages of Average Annual Proceeds of Crime in each of the following Offence Types.

	Percentage of Total Proceeds		
	Cash	Other Financial Assets	Physical Assets
Trafficking human beings & migrant smuggling	68.4	23.7	7.9
Sexual exploitation, (including of children)	82.4	13.2	4.4
Trafficking narcotic drugs & psychotropic substances	75.0	16.7	8.3
Illicit arms trafficking	53.3	22.2	24.4
Illicit trafficking in stolen and other goods	59.4	18.8	21.9
Corruption and bribery	47.4	36.8	15.8
Insider trading and market manipulation	23.7	60.5	15.8
Tax & excise evasion	22.5	62.5	15.0
Transfer Pricing	25.0	58.3	16.7
Other Fraud	15.0	62.5	22.5
Counterfeiting currency	90.6	4.7	4.7
Forgery	41.7	54.2	4.2
Counterfeiting and piracy of products	53.5	33.8	12.7
Environmental crime	36.7	33.3	30.0
Murder, grievous bodily injury	82.4	8.8	8.8
Kidnapping, illegal restraint, & hostage taking	82.4	8.8	8.8
Robbery or theft	60.9	21.7	17.4
Extortion	60.9	23.9	15.2
Smuggling	62.5	30.0	7.5
Piracy (e.g., maritime)	22.2	29.6	48.1
Illegal gambling	60.9	21.7	17.4
Money laundering	16.7	75.0	8.3
Computer Crime	41.9	48.4	9.7

Not all of the proceeds of crime are laundered. Some will be simply spent – perhaps on luxuries or real estate. Part of the proceeds of crime may need to be paid out in bribes to corrupt officials to ensure the safe operation of the business. Interestingly, the response from one country suggested that relatively small proportions of the proceeds of crime are laundered, whereas the other responses suggest that most of the proceeds are laundered for most crime types.

Table 3. Please Estimate the Percentages of Average Annual Proceeds of Crime, generated by each of the following Offence Types, that is likely to be laundered through the finance system or otherwise (as opposed to simply spent).

	Percentage of Total Proceeds		
	Country 1	Country 2	Country 3
Trafficking human beings & migrant smuggling	60 < 80%	Less than 10%	Over 80%
Sexual exploitation, (including of children)	60 < 80%	Less than 10%	Over 80%
Trafficking narcotic drugs & psychotropic substances	Over 80%	10 < 20%	Over 80%
Illicit arms trafficking	60 < 80%	10 < 20%	N/A (Crime doesn't exist)
Illicit trafficking in stolen and other goods	60 < 80%	Less than 10%	Over 80%
Corruption and bribery	Over 80%	19 < 40%	Over 80%
Insider trading and market manipulation	Over 80%	9 < 20%	Over 80%
Tax & excise evasion	60 < 80%	Less than 10%	40 < 60%
Transfer Pricing	Over 80%	Less than 10%	40 < 60%
Other Fraud	60 < 80%	Less than 10%	40 < 60%
Counterfeiting currency	60 < 80%	19 < 40%	20 < 40%
Forgery	60 < 80%	Less than 10%	20 < 40%
Counterfeiting and piracy of products	60 < 80%	Less than 10%	20 < 40%
Environmental crime	Over 80%	Less than 10%	60 < 80%
Murder, grievous bodily injury	Over 80%	Less than 10%	Less than 10%
Kidnapping, illegal restraint, & hostage taking	N/A (Crime doesn't exist)	Less than 10%	Less than 10%
Robbery or theft	60 < 80%	Less than 10%	Less than 10%
Extortion	60 < 80%	Less than 10%	Less than 10%
Smuggling	60 < 80%	Less than 10%	Less than 10%
Piracy (e.g., maritime)	60 < 80%		N/A (Crime doesn't exist)
Illegal gambling	60 < 80%	19 < 40%	Over 80%
Money laundering	Over 80%	39 < 60%	Over 80%
Computer Crime	60 < 80%	Less than 10%	20 < 40%

What determines the proportion of proceeds that are laundered? Perhaps it is the relative ease with which the proceeds of crime can be disguised in legitimate business profits, or the availability of “no-questions-asked” real estate or business opportunities, or as gambling profits, as alternatives to laundering the money. With greater participation in the survey, it may have been possible to determine the answer to this question.

The responses to the next question (see Table 4) tend to support the notion that investment in real estate and legitimate business, or gambling profits, can be alternatives to money laundering. Paying for professional services, such as legal and financial services, or investing in further criminal activities, are also important costs to be paid for out of the proceeds of crime. The remainder can be spent on luxury goods and other lifestyle pleasures.

Table 4. In your professional opinion, please estimate the percentages of the total POC expended in the following categories:

	Percentage of Total Proceeds	
	Country 1	Country 2
Further crime activities	21.1	5
Real Estate Investment	23.2	30
Legitimate Business	12.3	20
Luxury Goods	15.1	15
Gambling	16	10
Other Lifestyle	8.1	5
Professional Services (eg legal, financial..)	6.8	10
Other corruptive influence	3.8	5

A variety of institutions and mechanisms can be used for money laundering. The survey responses suggested that different countries have different patterns, perhaps dependent on the levels and effectiveness of supervision of the various components of the financial sector. Again, with a better response to the survey, it may have been possible to identify the causes of those different patterns.

Table 5. To the best of your knowledge, what institutions or mechanisms are used for laundering illicit proceeds within your country?

	Country 1	Country 2	Country 3	Country 4
Banks	Frequently	Frequently	Very Frequently	Rarely
Shell corporations	Occasionally	Frequently	Frequently	Occasionally
Non-bank financial institutions	Frequently	Frequently	Occasionally	Frequently
Money Exchange	Frequently	Occasionally	Occasionally	Occasionally
Remittance services	Occasionally	Occasionally	Occasionally	Frequently
Retail shops (eg jewellers, supermarkets)	Rarely	Frequently	Occasionally	Occasionally
Underground banking	Occasionally	Frequently	Occasionally	Frequently
Insurance companies	Rarely	Frequently	Rarely	Rarely
Gold and precious metals market	Occasionally	Occasionally	Occasionally	Occasionally
Casinos and gambling houses	Very Frequently	Occasionally	Rarely	Frequently
Not-for-profit sector	Very Rarely	Rarely	Occasionally	Occasionally
Antiques dealings	Rarely	Rarely	Occasionally	Rarely
Real estate	Frequently	Rarely	Frequently	Frequently

Table 6. To the best of your knowledge, what institutions or mechanisms are used for laundering illicit proceeds to send POC FROM your country?

	Country 1	Country 2	Country 3	Country 4
Banks	Very Frequently	Frequently	Very Frequently	Rarely
Shell corporations	Frequently	Frequently	Frequently	Occasionally
Non-bank financial institutions	Frequently	Frequently	Occasionally	Occasionally
Money Exchange	Frequently	Occasionally	Occasionally	Occasionally
Remittance services	Frequently	Occasionally	Occasionally	Occasionally
Retail shops (eg .jewellers, supermarkets)	Rarely	Occasionally	Occasionally	Very Rarely
Underground banking	Frequently	Frequently	Occasionally	Frequently
Insurance companies	Rarely	Frequently	Rarely	Rarely
Gold and precious metals market	Rarely	Occasionally	Occasionally	Very Rarely
Casinos and gambling houses	Frequently	Occasionally	Rarely	Frequently
Not-for-profit sector	Occasionally	Occasionally	Occasionally	Rarely
Antiques dealings	Very Rarely	Occasionally	Occasionally	Very Rarely
Real estate	Rarely	Occasionally	Frequently	Very Rarely

Comparison of Tables 5 and 6 suggest that different mechanisms may be used to launder money locally compared to those used to launder money out of the country, and that these patterns also differ from country to country.

Some respondents felt able to identify the countries to which the proceeds of crime would flow from their country, and the types of crime through which they are generated. The flows of proceeds referred to in the responses may relate to payments for illicit goods supplied and/or flows of money for laundering. Tables 7 and 8 suggest that much of the outward flows of money for offences such as drug trafficking or sexual exploitation are payments for the illicit goods and services provided, while the flows based on tax evasion, market manipulation and transfer pricing may be purely money laundering flows.

Table 7. Please identify the five most important countries to which the POC flow FROM your Country.

	Country 1	Country 2	Country 3
Country of Primary Interest	E. Asian country 100m-1b USD	E. Asian country	E. Asian country 1m-10m USD
2	N. American country 100m-1b USD	S.E. Asian country	S.E. Asian country 100,000- 1m USD
3	E. European country 10m-100m USD	W. European country	Oceanian country 1m-10m USD
4	S.E. Asian country 10m-100m USD	W. European country	S.E. Asian country 100,000- 1m USD
5	W. European country 10m-100m USD	W. European country	N. American country 1m-10m USD
Other Countries of Interest	W. Europe, Caribbean	W. European country	S. Asia, Oceania, Caribbean, W. Europe

Table 8. Please Estimate the predominant sources of POC generated in your country and sent to each of the five countries named above.

	Country 1	Country 3
	Percentage of Total Proceeds	
Country of Primary Interest	Sexual exploitation, (including of children) 20% Trafficking narcotic drugs & psychotropic substances 30% Counterfeiting and piracy of products 30% Computer Crime 20%	Trafficking human beings & migrant smuggling 15% Sexual exploitation, (including of children) 10% Trafficking narcotic drugs & psychotropic substances 15% Illicit trafficking in stolen and other goods 10% Corruption and bribery 5% Insider trading and market manipulation 5% Transfer Pricing 10% Other Fraud 5% Environmental crime 5% Illegal gambling 10% Money laundering 10%
2	Trafficking narcotic drugs & psychotropic substances 10% Insider trading and market manipulation 20% Tax & excise evasion 30% Transfer Pricing 40%	Trafficking human beings & migrant smuggling 20% Sexual exploitation, (including of children) 15% Trafficking narcotic drugs & psychotropic substances 20% Illicit trafficking in stolen and other goods 10% Corruption and bribery 5% Insider trading and market manipulation 5% Tax & excise evasion 5% Transfer Pricing 10% Other Fraud 10%
3	Illicit arms trafficking 10% Computer Crime 90%	Trafficking human beings & migrant smuggling 5% Trafficking narcotic drugs & psychotropic substances 5% Illicit trafficking in stolen and other goods 10% Insider trading and market manipulation 15% Tax & excise evasion 30% Transfer Pricing 5% Other Fraud 15% Illegal gambling 10% Money laundering 5%
4	Sexual exploitation, (including of children) 10% Trafficking narcotic drugs & psychotropic substances 90%	Trafficking human beings & migrant smuggling 20% Sexual exploitation, (including of children) 15% Trafficking narcotic drugs & psychotropic substances 20% Illicit trafficking in stolen and other goods 10% Corruption and bribery 5% Insider trading and market manipulation 5% Tax & excise evasion 5% Transfer Pricing 15% Other Fraud 5%
5	Insider trading and market manipulation 50% Tax & excise evasion 50%	Trafficking human beings & migrant smuggling 5% Trafficking narcotic drugs & psychotropic substances 15% Illicit trafficking in stolen and other goods 10% Corruption and bribery 5% Insider trading and market manipulation 10% Tax & excise evasion 15% Transfer Pricing 15% Other Fraud 10% Illegal gambling 10% Money laundering 5%

Respondents understandably felt less sure of the criminal origins and amounts of money being laundered into their country. This sort of information can only be generated by country-to-country sharing of information, and this appears to be rare or confined to cooperation between intelligence agencies, whose information is not publicly available. The mechanisms identified by the respondents tend to be similar to those used to launder locally generated proceeds of crime.

Table 9. To the best of your knowledge, what institutions or mechanisms are used for laundering illicit proceeds to send POC INTO your country?

	Country 1	Country 2	Country 3	Country 4
Banks	Frequently	Frequently	Very Frequently	Very Frequently
Shell corporations	Frequently	Frequently	Frequently	Very Frequently
Non-bank financial institutions	Occasionally	Frequently	Occasionally	Frequently
Money Exchange	Occasionally	Occasionally	Occasionally	Frequently
Remittance services	Occasionally	Occasionally	Occasionally	Very Frequently
Retail shops (eg .jewellers, supermarkets)	Very Rarely	Occasionally	Occasionally	Rarely
Underground banking	Occasionally	Frequently	Occasionally	Very Frequently
Insurance companies	Rarely	Frequently	Rarely	Occasionally
Gold and precious metals market	Occasionally	Occasionally	Occasionally	Very Rarely
Casinos and gambling houses	Frequently	Occasionally	Rarely	Occasionally
Not-for-profit sector	Very Rarely	Occasionally	Occasionally	Very Rarely
Antiques dealings	Very Rarely	Occasionally	Occasionally	Very Rarely
Real estate	Very Rarely	Occasionally	Frequently	Very Rarely

Table 10. Please identify the five most important countries to which the POC flow INTO your Country.

Country of Primary Interest	Country 1	Country 2	Country 3
	E. Asian country 100m-1b USD	E. European country	E. Asian country
2	S.E. Asian country 10m-100m USD	W. European country	S.E. Asian country
3	E. European country 10m-100m USD	E. Asian country	N. American country
4	N. American country 10m-100m USD	E. Asian country	S.E. Asian country
5	S.E. Asian country 10m-100m USD	E. Asian country	

The questions relating to geographic, economic and cultural risk factors, which could have been extremely enlightening, generally failed to elicit substantive responses. Tables 11 to 17 show only that international transport links, trade links, ethnic and cultural links can all present opportunities for organised crime, and that corruption and bribery, murders, kidnappings and threats of violence, underground/informal banking, and the shadow economy might all be used by criminals to protect their businesses.

Table 11. Geographical Risk Factors: Please Indicate Major International Transport Links that present Opportunities for Organised Crime

Country 1	ENTERING your Country.	LEAVING your Country.
	S.E. Asian country Trafficking narcotic drugs & psychotropic substances via sea and air	E. European country
2	S.E. Asian country Trafficking narcotic drugs & psychotropic substances via sea and air	W. European country
3	S.E. Asian country Sexual exploitation, (including of children) via sea and air	

Table 12. Economic Risk Factors: Please Indicate Major International Trade Links that present Opportunities for Organised Crime.

Country 1	Based outside your Country.	Based in your Country.
	E. Asian country	N. American country
2	Manufacturing trade, finance and insurance trade	Finance and insurance trade
	S.E. Asian country	W. European country
3	Manufacturing trade	Finance and insurance trade
	S.E. Asian country	E. Asian country
4	Manufacturing trade	Mining trade
		S.E. Asian country
5		Retail trade
		S.E. Asian country
		Retail trade

Table 13. Cultural Risk Factors: Please Indicate Major International Ethnic and Cultural Links that present Opportunities for Organised Crime PARTICIPATION IN your Country.

Country 1	Country 1	Country 2
	S.E. Asian country	E. Asian country
2	Ethnic links to drug trafficking	Ethnic links
	E. Asian country	E. Asian country
	Ethnic links to counterfeiting of products	Ethnic links

Table 14. Cultural Risk Factors: Please Indicate the Levels of Public Confidence in the Key Institutions in your Country?

	Country 1	Country 2
In the Political System	High	Medium
In the Public Service	High	Medium
In the Judiciary	High	High
In Law Enforcement	High	Medium
In Customs and Border Control	Medium	Low
In the Taxation System	High	Low
In the Business Community	High	Medium
In the Banking and Finance Industry	High	High

Table 15. Cultural Risk Factors: How Frequently are Corruption and Bribery Used by Organised Crime in your Country?

	Country 1
In the Political System	Rarely
In the Public Service	Very Rarely
In the Judiciary	Very Rarely
In Law Enforcement	Occasionally
In Customs and Border Control	Occasionally
In the Taxation System	Very Rarely
In the Business Community	Occasionally
In the Banking and Finance Industry	Rarely

Table 16. Cultural Risk Factors: How Frequently are Murders, Kidnappings and Threats of Violence Used by Organised Crime in your Country

	Country 1	Country 2
In the Political System	Very Rarely	Rarely
In the Public Service	Very Rarely	Rarely
In the Judiciary	Very Rarely	Rarely
In Law Enforcement	Occasionally	Rarely
In Customs and Border Control	Very Rarely	Rarely
In the Taxation System	Very Rarely	Rarely
In the Business Community	Very Rarely	Rarely
In the Banking and Finance Industry	Very Rarely	Rarely

Table 17. Cultural Risk Factors: How Important are the following in facilitating Crime and Money Laundering in your country?

	Country 1	Country 2	Country 3
Underground/Informal Banking?	Slightly Important	Moderately Important	Slightly Important
Shadow Economy?	Not at all Important		Slightly Important
Inequality of wealth/opportunity?	Not at all Important	Moderately Important	Slightly Important
Levels of education?	Not at all Important	Slightly Important	Very Important
Public Attitudes to Crime and Corruption?	Not at all Important	Slightly Important	Slightly Important

LESSONS TO BE LEARNED

It is felt by the Co-Chairs and SG Advisor John Walker that the exercise has succeeded in identifying some of the key questions that need to be asked if the member countries of the CSCAP region are to successfully address the threats of crime and money laundering.

While the survey mechanism clearly made it possible to collect responses, and the questions were clearly capable of being answered, the survey can nevertheless not be described as successful, since it failed to attract enough respondents to generate the country-by-country comparisons that it was hoped would cast light on the determinants of levels of crime and money laundering around the CSCAP region.

It is likely that even those who did respond felt that they had insufficient information available on which they could base their responses. The academics involved in the exercise rarely have access to law enforcement intelligence, and those in the law enforcement community may not have felt authorised to share it. In many countries of the CSCAP region, even standard crime statistics such as the incidence of reported crime are official State secrets, so this should not be a surprise.

The secrecy surrounding information about crime is a serious barrier to addressing the threat of crime. In particular, the lack of information about the proceeds of crime prevents any serious evaluation of international crime prevention priorities, and may be an element in sustaining the high levels of corruption apparent in some countries of the region, since lack of information about the amounts of money involved is only to the advantage of those who are corrupt.

FUTURE TRANSCRIME DIRECTIONS

Special acknowledgement goes to CSCAP Thailand who involved Thai government officials in the meetings where they worked through the survey and provided data that enhanced the value of the Thai responses and ultimately the overall project. This demonstrated what could be achieved with multi sector engagement in the development of a National CSCAP Committee's response. Acknowledgement for additional input also goes to CSCAP China.

The survey results – limited as they are – have provided some interesting insights. It is anticipated that the current Co-Chairs of this Study Group will discuss the outcomes of the process employed and the results achieved by September 2011 with recommendations against proposed project outputs being forwarded to the next SCM.

In the interim, it is important that the Steering Committee:

- endorse the work completed thus far.
- recognise that a valuable research tool has been developed through the activities of this Study Group.

- consider enabling the Study Group to meet once more with a greater participation and involvement from member committees.

Additional consideration needs to be given to a CSCAP review of the work conducted by the 1996/7 Transcrime SG and subsequent Working Groups of the identified 19 crime types that impact on Regional Security. The passage of time since that work by CSCAP on Transnational Crime is such that regional endeavours to address these crime types can be re-assessed and appropriate gap analysis conducted.

ACKNOWLEDGMENTS

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- CSCAP Thailand and Prof. Suchit Bunbongkarn' for the excellent hosting of the meetings.
- Ms. Wuttinee Kamolpattarakul and Team for excellent support and organization.
- A/Prof. John Walker for his contributions to the meetings, process development and mentoring of Participants.

Submitted for the attention of the CSCAP Steering Committee

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29th May, 2011.