

For Official Use

CEMT/CM(2001)18/FINAL



Conférence Européenne des Ministres des Transports
European Conference of Ministers of Transport

13-Jun-2001

English - Or. English

**EUROPEAN CONFERENCE OF MINISTERS OF TRANSPORT
COUNCIL OF MINISTERS**

Council of Ministers

**CONCLUSIONS AND RECOMMENDATIONS ON COMBATING
CRIME IN TRANSPORT**

This document and its Conclusions and Recommendations were adopted by the Council of Ministers, meeting in Lisbon on 29-30 May 2001.

JT00109434

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format

**CEMT/CM(2001)18/FINAL
For Official Use**

English - Or. English

TABLE OF CONTENTS

1. INTRODUCTION AND BACKGROUND3

2. EXECUTIVE SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS
FROM THE TWO REPORTS COMPLETED4

 2.1 Report on Theft of Goods and Goods Vehicles.....4

 2.2 Report on Improving Security for Road Freight Vehicles6

3.. SUBJECTS UNDER DISCUSSION8

 3.1 Illegal Immigration.....8

 3.2 Fraud in the Transit Systems9

 3.3 Crime in Railways/Security in passenger transport.....12

 3.4 EUCARIS12

4. CONCLUSIONS FOR MINISTERS.....14

1. INTRODUCTION AND BACKGROUND

The ECMT Council of Ministers' meetings in Berlin in April 1997 and in Warsaw in May 1999 adopted Resolutions No. 97/2 and 99/3 on Crime in Transport. The latter requested the Committee of Deputies to set up appropriate methods and structures so that ECMT can contribute to the fight against crime through focussed actions on the particular issues identified and to report back again on the progress in implementing the recommendations in the Resolutions.

A multidisciplinary **Steering Group on Combating Crime in Transport**, consisting of representatives from different backgrounds (police, transport Ministries, customs, insurance, industry, etc.) was set up in autumn 1999 with the objectives:

- make proposals on how ECMT can contribute effectively to implementing the two Resolutions on Crime in Transport;
- suggest priorities for ECMT work in line with the decisions of Ministers;
- guide particular projects that are to be undertaken;

Immediate priorities were identified as follows:

- to undertake work to obtain and make available comparable information on transport crime, focussing on - theft of vehicles and goods (for ECMT, it is mainly goods vehicles that are of interest), attacks on drivers, data on fraud in the transit systems;
- to examine how anti-theft devices and communication systems including those which allow vehicles and wagons to be tracked and monitored in real-time can be introduced;
- to update the IRU/ECMT handbook on parking provisions, improving it where possible.

This report summarises the work done so far on these topics, reports on other subjects being discussed and seeks guidance on the next steps that should be taken.

2. EXECUTIVE SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS FROM THE TWO REPORTS COMPLETED

2.1 Report on theft of goods and goods vehicles

Conclusions

1. The Report [CEMT/CM(2001)19] on the above subject was drawn up following the mandate from Transport Ministers in Warsaw 1999 that “further work to obtain and make available comparable information on transport crime (including harmonised definitions and concepts) should be undertaken”. The objective was to examine available information on goods vehicle crime in Europe and if possible to suggest how data and methodologies could be improved.
2. Initial contacts were made through the Transport Ministries which led to queries being directed to other Ministries, including the Interior. The bulk of the available data is kept by police authorities or statistics departments within the Ministries of Interior. This report contains data from 23 countries.
3. The report describes the methodologies used in Europe and demonstrates that there is no simple way to provide a clear picture of the extent and nature of the theft of goods and commercial vehicles in Europe. This is because:
 - historical and legal practices and codes vary between countries and thus the definitions of theft and the information collected on the precise occurrence/timing of the crime differ and are not comparable;
 - each country has a unique system for gathering information about vehicle theft and goods theft which does not facilitate comparable studies;
 - the collation of information is not always undertaken at a national level;
 - most of the systems set up by national authorities are intended for operational purposes and not for analytical purposes;
 - the categorisation of vehicles is inconsistent and does not always distinguish between Light and Heavy Goods Vehicles;
 - data on the theft of goods is not normally collected from the authorities collecting data on vehicle theft.
4. Despite these caveats, the data show that theft of goods and vehicles is a significant problem costing many millions of Euro.
5. In some countries, up to 1% of the goods vehicles in circulation are stolen annually - that is many tens of thousands of commercial vehicles. The information on trends shows that the problem is becoming worse in many countries; thefts of vehicles between 1995 and 1999 were analysed for 11 countries and while two countries showed decreases, the other countries showed increases of up to 50%. The average overall increase for these countries was 21% over the five year period. The data also indicate very different levels of recovery of stolen vehicles.

6. The goods stolen are especially electrical and electronic goods, clothes and footwear, and then household goods, food, cigarettes and alcohol. However, there is no known data relating to the value of goods stolen from vehicles at a European level. Insurance companies and associations have been, so far, unable to provide comprehensive information.
7. It is clear that the private sector suffers considerable losses from the theft of goods in transport. For example, an initiative by an association of 20 high tech companies to measure the value of goods stolen showed between September 1999 and December 2000, 150 incidences of theft of which 25% were hi-jacks. The type of products stolen were all of high value: mainly computer equipment and related peripherals, or mobile telephones. The total value of known losses was 32 million Euro.
8. There are two main issues facing the authorities collecting data on vehicle theft: -The general problem of the lack of comparability of crime statistics and -The specific one of the categorisation of vehicles and risk factors. The former is being reviewed by statisticians under the auspices of the Council of Europe. The latter is being examined by Europol in an endeavour to establish a protocol for the member states. This protocol is based partly on the results of this study and includes the information mentioned below and in the report.
9. Co-ordination on this subject between ministries of Transport and the Interior is poorly developed.
10. There are other sources of information on vehicle and goods crime that this work was not able fully to exploit. In particular, insurance companies appear to have data but it is not aggregated or widely available.
11. In most countries vehicle and goods theft is not seen as a priority and few resources are given to collecting and analysing data on it. The same is true at international level.

Recommendations

1. The collection and analysis of information is essential to the fight against crime in transport. Regular compilation and the gradual improvement of data are needed to understand better the extent and nature of the problem and to develop strategies to deal with it. Resources need to be given to these tasks.
2. It is necessary to improve gradually the comparability of available data. For this, two layers of information are required: the first concerns the categorisation and identification of vehicles and the second the categories of goods stolen, the location and mode of theft. The definitions and categorisation set out in the report [CEMT/CM(2001)19 - Chapter 5.2] should be the basis for a standardised data collection format for the recording of vehicle theft and the theft of goods.
3. In each Country, relevant data are available from different sources (police, interior Ministries, transport authorities, insurance companies) and closer contacts and improved co-ordination between these is needed at national level.
4. At international level, international organisations such as Interpol and Europol are best placed to work on improving data on vehicle theft as they are the points of reference for the national police authorities. In the medium term, they should examine how to take on this task.

5. In the short term, ECMT could continue to work on this subject in co-operation with other authorities. The data here should be updated in two years.
6. Private companies, shippers, operators, insurance companies all have a keen interest and can also contribute to providing a better understanding of the nature of crime and on finding ways to combat it.

2.2 Report on improving security for road freight vehicles

The Report [CEMT/CM(2001)20] on the above subject was prepared as background. Its summary conclusions and recommendations are as follows:

Conclusions

1. The range and sophistication of anti-theft devices and after-theft systems available on the market is increasing rapidly; in particular, there are new developments to track the goods themselves throughout transport.
2. More goods vehicles are being equipped with such devices but goods vehicle crime is still increasing.
3. There are barriers to the wider introduction of these systems and equipment: Hauliers often underestimate the risks; manufacturers do not want to fit them as standard; insurance companies do not always give premium reductions; technical standards do not yet exist.
4. It is not possible to evaluate the cost effectiveness of the equipment used since there is not enough evidence on the extent of crime, or on the way the equipment is used and works.
5. Fitting anti-theft devices to vehicles and developing after-theft systems are only a part of a broader strategy to combat road freight transport crime. Such a strategy, to be successful, requires coordination and cooperation of many actors. At present this cooperation is not widely developed.

Recommendations to transport authorities

1. Set quantified targets for goods vehicle crime reduction, in cooperation and coordination with other authorities.
2. Create partnerships with other authorities and actors – in particular, appoint a coordinator of anti-crime activities in the Ministries of Transport.
3. Accelerate technical work in the framework of CEN and UN/ECE on standardisation of security equipment, on marking of vehicles and components and also work on legal requirements for fitting heavy goods vehicles with specific security equipment and on related issues - e.g. accreditation of responsible testing organisations to international standards.

4. In cooperation with the operators associations and the Police authorities examine the truck parking areas in their territory, to see what further security steps need to be taken. Improve these parking areas and indicate the degree of protection provided e.g. by a star or grading system. Use such an evaluation to improve further the joint IRU-ECMT booklet on safe parking areas.
5. Together with the Police and the operators associations provide and disseminate advice and guidance to operators, especially on safe routes, parking areas with high security, precautions to take and appropriate equipment.
6. Lobby police and interior ministries to provide more police attention and resources to monitoring, preventing and solving goods vehicle crime.
7. Examine the possibility of introducing incentives for meeting minimum security standards for goods vehicles at international level, linked to the ECMT multilateral quota.
8. Follow and support developments in technology to track the goods themselves throughout transport.

Requests to other authorities and actors

1. *Operators:*
 - provide security advice to drivers on the risks and on good practice for achieving high security;
 - verify and monitor security records of staff and agency drivers;
 - improve depot and port area security, e.g. installation of Closed Circuit TV (CCTV) and disseminate information on the subject to operators.
2. *Manufacturing industry:*
 - continue to participate in a dialogue on fitting devices at manufacturing stage with the objective to improve the level of security of vehicles.
3. *Insurance industry:*
 - use their records and data to improve the dissemination of information on the extent of the problem;
 - provide advice and guidance to operators on appropriate precautions and equipment.

3. SUBJECTS UNDER DISCUSSION

3.1 Illegal immigration

Illegal immigration has become an increasingly dramatic humanitarian problem. The discovery in June 2000 of 60 Chinese clandestine immigrants, of whom 58 died, in an airtight container at Dover has concentrated public and political attention on the topic.

Illegal immigration into the UK is a particular problem and has resulted in a number of actions. The UK Government introduced the new Immigration and Asylum Act (1999), imposing severe financial penalties on transport operators entering British territory with illegal immigrants on board. The measure, effective since 3 April 2000, applies to all modes of transport, and the fines amount to £ 2000 per clandestine.¹

The Transport profession, mainly through the IRU and national road transport federations, have carried out a campaign among their members to enhance precautions, and have issued guidance (Renewed IRU information on the UK Law and its application, Geneva 24 January 2001)². They have also strongly opposed the increased liability of carriers, as laid down in the act. In particular, they have been very concerned by the clause that states that it is immaterial whether an allegedly responsible person knew or suspected that the clandestine entrant was concealed in the transporter entering British soil (art. 35 subsection 7). Railways too have been protesting strongly about these automatic fines. The transport industry is also concerned about perverse effects of the law – e.g. the risk that an operator who finds an illegal immigrant will no longer hand the person over to the authorities.

The French Government commissioned a report from Conseil National des Transports (CNT), its transport advisory body, on the particular problem of illegal immigration to the UK from France, and specifically the clandestine traffic via Calais (Rapport sur la question des clandestins dans les transports, Paris 22 December 2000³). As a result there has been a number of preventive measures put in place and the number of illegal entrants reaching the UK from France via Calais has declined.

The EU has set up a consultation procedure to examine whether there could be some co-ordination on the level of fines across the EU.

The situation in the UK is a particular focus of attention, but there are also problems in other Western and CEE countries, including Russia. Although the focus has been on road, it also involves rail and shipping, with air being less affected.

1 For railway transport effective since 1 January 2001.

2 Document number: S2-S3/G2314/PKR (available from Secretariat on request).

3 An executive summary is available, prepared as room document No. 1 for the meeting of the ECMT steering group on combating crime in transport (CCT) held in Paris on 15 March 2001.

ECMT Resolution n° 99/3 made two main requests:

- to shippers and hauliers to do everything possible to ensure that their vehicles are secure when being loaded or while parked;
- to national authorities, where appropriate, to draw up regulations on the conduct of investigations.

As regards the first point ECMT continues to work with the profession and other actors to improve security.

As regards the second point, it is clear that the transport sector cannot be held responsible for the problem of illegal immigration. Extremely desperate people are taking enormous risks to enter different transport modes and it is not possible for transport operators or authorities to eliminate this at an affordable cost. The request from the transport side is that, when illegal immigrants are found, national regulations for the conduct of inquiries are drawn up.

ECMT's role can be to continue to urge transport operators to take all reasonable precautions to protect themselves from illegal use and also to try and ensure that no unnecessary burdens are placed on the sector.

3.2 Fraud in transit systems

Transit is a customs procedure, which suspends all customs duties and taxes on goods, while they are being carried in the territory of a State or a number of States belonging to a customs union.

In the case of transit in European countries, there are two different systems which comply with this general definition: the first, which applies to all transport modes, concerns countries in the European Community, EFTA and recently the Visegrad countries (Czech Republic, Hungary, Poland and the Slovak Republic) - the system is known as **Common transit**; the second, which has a wider geographical coverage but is limited to road transport or to multimodal transport that includes sections of the journey by road, is known as the **System TIR** (Transport International Routier).

In the early 1990's the International Transit Regimes (TIR and Community) were at risk of collapse due to fraud. In recent years, there has been an enormous effort to reduce this fraud and during the second half of the nineties customs control systems and legislation have been reinforced and procedures have been adapted and modernised.

System TIR

With a view to reducing fraudulent activities in the framework of the TIR Customs Transit Regime, the 64 Contracting Parties and the international road transport industry have, since 1995, taken a large number of measures trying to curb international Customs fraud while at the same time continuing to provide the facilities of the TIR Convention, particularly for East West European road transport and trade. These measures included the establishment of an international EDI control system for TIR Carnets, operated in co-operation with national transport associations and the International Road Transport Union (SAFETIR). Today more than 80 per cent of the nearly 2.8 Million TIR transport operations annually undertaken are centrally recorded and analysed by the system.

However, in order to stabilise the TIR system in the longer term, more profound modifications in its operation and in the Governmental co-operation and control mechanisms were necessary. A first package of amendments to the TIR Convention entered into force in early 1999 and included controlled access to the TIR regime, transparency in the functioning of the international guarantee system and the establishment of an inter-governmental supervisory organ, the TIR Executive Board (TIRExB) in Geneva. A second package of a large number of amendments to the TIR Convention, stipulating clearly the legal and administrative responsibilities of Customs authorities, transport operators as well as all other actors in the TIR regime, has been completed by the UN/ECE and the TIR Administrative Committee in 2000 and is expected to come into force in all 64 Contracting States to the Convention by mid-2002.

Work is continuing within the UN/ECE with a view to introducing modern electronic data processing mechanisms into the TIR system without changing its basic philosophy as well as its legal and administrative structure. With the conclusion of this strategic TIR revision process, possibly in the year 2003, this only world-wide Customs transit system should be well positioned to cope with the future challenges faced by international transport and will no longer constitute an easy target for international organised crime.

While the TIR Customs transit system seems to be secured for the time being, attention must be given to other elements in the international transport chain which are increasingly targeted by organised crime, such as double invoicing, false declarations and the emergence of bogus or so-called "one day consignees".

With a view to improving risk management capabilities by Customs authorities, private associations and the international guarantee providers of the TIR system, it is also indispensable in the future that Customs enforcement authorities, the TIRExB as well as the international TIR guarantee providers (insurers) pool their knowledge and data at the international level. Effective international risk management is at present not possible due to national data protection regulations and commercial secrets of insurers and other private actors.

Community/Common Transit

As mentioned in the introduction, the Community/Common Transit is used for the transport of goods within the European Community with suspension of the duties and taxes payable thereon. The same system is also used for the transport of goods between the Community and other countries that are contracting parties to the Common Transit Convention.

Community/common transit has many similarities to TIR and has had a similar history of large-scale fraud leading to substantial losses of revenue for national and Community budgets. To address the problems, a process of transit reform was launched by the European Commission's Action Plan for Transit in Europe in response to the recommendations of the European Parliament's Committee of Inquiry into the Community Transit System.

Major efforts have been made also to improve the Community Transit system. The reform falls into three areas:

Legislative reform. Community regulations and the Common Transit Convention have been revised to clarify and strengthen the transit rules for the benefit of both Customs and the trade. In particular, they aim to prevent fraud by targeting the risks attached to the operators and the goods involved in transit operations. Operators are required to be authorised by the customs authorities and must meet

reliability criteria when they carry high-risk goods and use simplified procedures. Most of the new legislative provisions will be applied with effect from 1 July 2001.

Operational measures. The legislative changes have been accompanied by operational measures to improve the management and control of transit operations and to improve co-ordination between the 22 customs administrations involved.

Computerisation. The current paper-based transit system is in the course of being replaced by a modern computerised system. Implementation of the new system started in 2000 with the participation of five countries and over the next three years will be gradually extended in geographical scope and operational coverage until complete.

While it is believed that these measures have been effective there is not concrete evidence of the extent of the improvement.

A priority issue for the ECMT Steering Group has concerned data on transit fraud. All Customs administrations carry out their transit controls on the basis of risk assessment and targeted controls. For this, data on known and suspected risks must be available to operational Customs staff, including for example data on the risks arising from the goods, their origin, the operators involved and the modes of transport used. Data will be collected and used at the level of local customs offices but it will also be collected, analysed and disseminated at national level. Data about cases of fraud will play an important part in this and will also be used to evaluate the success of measures taken to prevent fraud and to trigger any necessary further action. This approach can be extended to the international level and the European Commission collects information about transit fraud for these reasons.

The collection and use of transit data is primarily a role for Customs administrations at local, national and international level but other authorities and trade sectors can play a useful part. All concerned should be encouraged to recognise the importance of the task and to ensure that is carried out.

Conclusions

There have been significant improvements in the operation of the Transit regimes and it is believed that there have been large reductions in fraud. But it is still not possible to quantify the extent of remaining fraud which is believed to be very large. There is a continuing need to improve the analysis and understanding of this issue.

As indicated, it is now believed that the mechanisms of fraud have changed and that the legal and organisational weaknesses of certain states have become the preferred field of activities for fraudsters.

Among these emerging problems are:

- customs clearance procedures in licensed warehouses;
- problems with the setting up of bogus or "one day" companies;
- underinvoicing;
- concealment of goods by false declaration.

The solutions to these problems require strengthened control in some countries on the setting up of companies and the registration of commercial operators, exporters taking more responsibility in the choice of business partners, restrictions on TIR operational procedures to a limited number of custom

offices and better information flows between the public and private sector on the detection and prevention of fraud.

It is proposed that the ECMT continue to follow this issue based on information from UN/ECE and European Commission.

3.3 Crime in railways/security in passenger transport

For goods, data available, through suffering the same defects as for road transport, showed a large increase in goods theft in recent years. Though impossible to prove, there did seem to be a movement of crime from road to rail.

Many railways have their own specialist police forces and COLPOFER is the international organisation of railway police created in 1980 which bring these forces together. Conscious of the problem of security in railways the UIC in 1997 created a working group and integrated in this COLPOFER.

Present work concerns mainly passenger security. A world-conference on this topic was held in Madrid in October 2000 and outlined the actions being taken by railways to improve passenger security.

ECMT was asked by Ministers in 1999 to examine also the issues of security in passenger transport and perhaps it is appropriate to start this work, building in the experience of the railways.

3.4 EUCARIS

EUCARIS is a communications network, which allows participating countries to exchange data relating to motor vehicles and driving licences. It is not a central system where data can be stored and subsequently retrieved. EUCARIS on-line consult motor vehicle and driving licence data kept in the national registers of the countries also affiliated to EUCARIS.

National registration authorities remain responsible for their own registrations. Data are exchanged in accordance with stringent European rules governing the protection of privacy.

EUCARIS not only contributes to the prevention, detection and prosecution of violations of the national law, the system also plays a part in keeping the national vehicle and driving licence records accurate and up-to-date. The quick exchange of data increases the efficiency, efficacy and accuracy of administrative procedures and the registers.

At this moment Belgium, Germany, Great Britain, Luxembourg and The Netherlands are parties to the Eucaris-treaty. In these countries the treaty is ready for ratification in their respective parliaments.

Ireland, Northern Ireland, Gibraltar, Jersey, Guernsey, Isle of Man will follow soon. Moreover, Estonia, Hungary, Iceland, Italy, Latvia, Czech Republic and Romania use the EUCARIS system for limited applications, such as bilateral and unilateral exchange of vehicle information.

Sweden has formally applied for participation, whilst Norway, Finland and Greece have expressed their interest to participate in the near future.

The strength of EUCARIS lies in the quick exchange of data. This is crucial in the fight against car theft, registration and document fraud. A quick exchange of data is possible because only small sets of information are transmitted.

For citizens the use of EUCARIS means that vehicle documents, driving licences and cars from abroad are checked before re-registration; because of this, documents and cars from abroad are free of fraud and crime they are used in the new country.

Based on the above, is possible to state that implementation of the recommendation in Resolution No. 99/3 On Crime in Transport “that countries should consider joining EUCARIS” is making good progress.

4. CONCLUSIONS FOR MINISTERS

The above material shows that crime in transport is a wide ranging topic with many different aspects. It shows also that transport Ministries are one of the several actors with possibilities to contribute to reducing crime. In order to do so fully:

MINISTERS

1. **NOTED** the Reports on Theft of Goods and Goods Vehicles [CEMT/CM(2001)19] and Improving Security for Road Freight Vehicles [CEMT/CM(2001)20].
2. **NOTED** the progress and problems in implementing previous Resolutions and in particular:
 - with the Transit systems;
 - with illegal immigration.
3. **ENDORSED** the recommendations in the reports completed (see section 2 above).
4. **AGREED** to strengthen their efforts to reduce crime in transport by:
 - accelerating the implementation the two resolutions adopted in ECMT;
 - implementing the recommendations in the new reports;
 - improving coordination and cooperation with the other concerned actors and authorities;
 - nominating a point of contact to coordinate the Ministries activities on Combating Crime in Transport.
5. **AGREED** that ECMT continues to work on this topic, in particular by:
 - following up the specific recommendations in the reports;
 - examining the issues and implications of the electronic tracking of goods,
 - starting to examine passenger security.