SUMMARY

English summary of Brå report No 2008:10

Criminal Assets Recovery in Sweden

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A summary of report 2008:10

The Swedish National Council for Crime Prevention (Brottsförebyggande rådet, Brå) – centre for knowledge about crime and crime prevention measures.
The Swedish National Council for Crime Prevention works to reduce crime and improve levels of safety in society by producing data and disseminating knowledge on crime and crime prevention work.

This report is a summary of the Swedish report *Tillgångsinriktad brottsbekämpning*, report no 2008:10, which can be ordered from Fritzes Kundservice, 106 47 Stockholm.
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This English report can be downloaded from www.bra.se

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Brå on the Internet www.bra.se

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Contents

Introduction

The recovery of criminal assets is a strategy that has had increasing impact on Swedish criminal policy in recent years. In 1997, for example, the government appointed an investigation into the matter of confiscating the proceeds of crime (SOU 1999:147) and, in 2004, parliament approved a draft by the European Union (EU) for the confiscation of the proceeds of crime. This framework decision resulted in new legislation being enacted in July 2008 for extended forfeiture.

In December 2007, the Minister of Justice, Beatrice Ask, assigned an investigator to review matters relating to the forfeiture of the proceeds of serious organised crime. The considerations and proposals of the investigation were presented in May 2008 (Ds 2008:38).

The EU's Third Money Laundering Directive was implemented in Sweden during 2009 and brought about a further expansion in the number of parties that are obliged to report on suspected money laundering within the private sector.

The ball is, in other words, rolling, and the legal authorities has recently started to mobilise in order to take a fuller interest in money and property. The Swedish Economic Crime Authority[1], together with other authorities collaborating in project *Bloodhound* (Blodhund), has taken stock of the rules that apply for tracking and securing 'dirty money' and proceeds of crime (EBM, 2006). The Economic Crime Authority has also established a new unit that will track and recover the proceeds of crime – Asset Recovery Office (ARO) – and, within the framework of the Regional Intelligence Centre (RUC) in Västra Götaland, this is an important part in mapping out proceeds of crime.

From an international perspective, though, Sweden is relatively late on the bandwagon. A new objective to 'follow the money' became a subject for the criminal policy agenda in other countries as early as the 1980s (Bell, 2000; Gallant, 2005; Naylor, 1999). Several European countries have established special authorities or units that have the responsibility of tracking and reclaiming the proceeds of crime (van Duyne and Levi, 1999).

The focus on the actual proceeds of crime is established on some basic assumptions. The first is of a moral nature. Society cannot allow someone to benefit through criminal activities (Gallant, 2005; Naylor, 1999). In other words, a distinct strategy to 'follow the criminal money' strengthens the general sense of justice. The second and third basic assumptions are to do with effectiveness. The strategy flies in the face of the main driving force for crime: money. If it becomes more difficult to make money through crime, the motivation for committing crime is reduced (Harvey, 2005; Levi, 2006; Naylor 1999). It can also be assumed that the financing of new crimes is also hampered (Naylor, 1999). The fourth assumption is that confiscating the proceeds of crime can hinder criminals from infiltrating and corrupting the legal economy (Naylor, 1999). A fifth, often unspoken, basic assumption is that focusing on the actual proceeds of crime generates income for the state (Gallant, 2005 reference Blumenson and Nilson, 1998; van Duyne and Levi, 1999; *cf.* Chamberlain, 2002).

Since the goals for confiscating the proceeds of crime deviate sharply from the traditional Swedish methods for crime control, to adopt such a strategy is, of course, a long and arduous process; it requires new methods and information resources along with well-developed and fully functioning collaboration between the authorities (Brå 2005:11).

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[1] The Swedish Economic Crime Authority (Ekobrottsmyndigheten) investigates accounting fraud, bankruptcy-related crimes, tax offences, insider dealings and EC fraud, as well as other sophisticated financial offences that require special knowledge of financial and business situations.

In short, it is a big challenge for crime control and yet another aim, and there is a long line of obstacles that need to be identified and overcome. What could be needed is an overview of this very complex area in order to find weak points as well as any untapped potential.

The goal of this report is to try to provide such an overview. The purpose of the study is to map out the authorities' work of tracking and recovering money and other property that is undeclared or from regular criminal activities. The idea is to identify obstacles and possibilities within this strategic objective for crime control.

The study encompasses law enforcement agencies (the Swedish Police, the Swedish Prosecution Authority, the Swedish Economic Crime Authority, the Tax Fraud Unit at the Swedish Tax Agency and the Swedish Customs working within the process Law Enforcement), control and regulating authorities (the Swedish Tax Agency, the Swedish Enforcement Authority; the Swedish Customs working within the process Managing the Trade and the Swedish Social Insurance Agency) as well as private actors that are obliged to report on suspected money laundering according to the law. Special attention is given to the Economic Crime Authoritys' Assets Recovery Office and the Regional Intelligence Centre in Västra Götaland, where many authorities work together.

These two actors are positioned according to Figure 1, below.

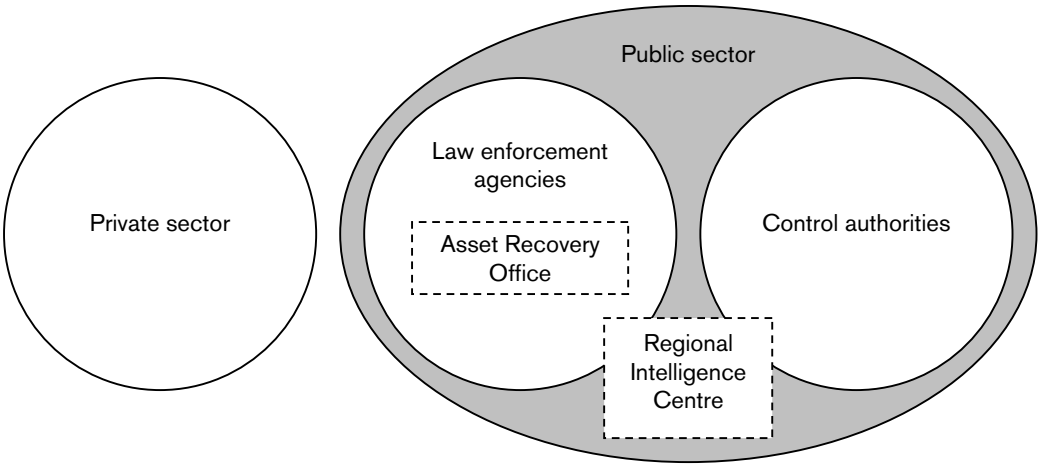

Figure 1. The Asset Recovery Office and RUC's placement within the authorities.

Method

In total, 96 people were interviewed in the study. Because of the wide variation in occupations that the study embraces, semi-structured interview guides were used. The point was to give the interviewees an opportunity to speak freely on the basis of his or her own work and experience, while still sticking to the given theme (Denscombe, 1998). The interviews focused around personal work activities and views on criminal assets recovery. All of the interviews have been taped and transcribed. The time taken for each interview varied between one and two hours. The quotations that are presented in this report are translated from Swedish to English.

It became clear during the interviews that a large portion of the interviewees had reflected on issues relating to the recovery of criminal assets. There was considerable awareness of the need to 'follow the money', and the interviewees were very eager to discuss these issues and often gave varied answers. Those approached were very keen to be interviewed regardless of whether they had a positive or negative view on the matter.

In order to increase the understanding for the work that the various professions carry out in connection with criminal assets recovery, the interviews were complemented with a seminar together with delegates from the various authorities that were involved in the study. There, the main results were discussed and the delegates contributed their views and discussed ideas for crime prevention and law enforcement.

Results

The interviews indicate that those holding positions within the authorities are well aware that the proceeds of crime is an important point of attack in the fight against crime. Awareness is greatest among the control authorities, due to the fact that they are greatly involved in assets. At the same time, they are not greatly involved in criminal assets recovery, but, because of their focus on money, are important partners for the law enforcement agencies.

Lack of incentive

Although awareness of the importance of 'following the money' is also great among law enforcement agencies, it is seldom that this insight makes any significant impression in their daily work. There are few clear incentives for personnel to work with the recovery of criminal assets. From the interviews, it is possible to discern five overlapping themes to do with the attitude towards and incentive for criminal assets recovery. These themes will now be considered one by one.

Traditional way of thinking

Many people holding a position within the law enforcement agencies, especially the older generation, are deeply rooted in a traditional way of thinking, where the issue of proceeds of crime has never been high priority. Some interviewees reveal that there is some resistance towards accepting something new. Many simply continue working in the same way that they have always done, which makes it difficult for new work methods and priorities to have any impact. On the other hand, there are signs that a change in the way of thinking is under way – for example, some personnel have started thinking more about these issues – although a more sweeping change is likely to be a long and time-consuming process.

It is inconvenient

One of the major obstacles in developing a way of thinking that is more conducive to the recovery of criminal assets and therefore affect the practical work is that many personnel are uncomfortable with the new procedures and feel that it is inconvenient and complicated. Since none have worked with the recovery of criminal assets before to any great degree, experience and knowledge are often in very short supply. The general consensus among the interviewed prosecutors was that their main objective is to investigate crime and see to it that suspects are tried. If prosecutors and investigators are already weighed down with the actual

criminal investigation, there is a big risk that proceeds of crime could be seen as a burden rather than an opportunity. A picture conveyed through the interviews is that seizures or sequestrations are not usually used because of wanting to avoid inconvenient court proceedings. Some prosecutors state how they have never dared to request freezing of overseas funds because it seems too complicated. The uncertainty surrounding these issues leads to prosecutors taking a careful and conservative attitude towards the recovery of criminal assets. They also risk committing a breach of duty should they reach decisions based on wrong grounds.

> *There is no tradition. You learn a little from older colleagues, and if they don't care about recovering the funds then, well, you don't learn to do it, and most just get confused and stressed out because the police have confiscated a load of stuff. "What shall I do with all of this? Can I hold on to it? What rules should I apply now?" Of course we never do. At a stretch, you could say I believe that some colleagues wonder just what the hell they can do to get rid off the problem rather than making use of the rules.*
>
> Prosecutor

When prosecutors are engaged in the recovery of criminal assets, it is often because such efforts have to be made in the criminal investigation anyway – for example, in order to map out flows of money. So the main purpose is not to secure the money but to strengthen the evidence in order to get the person tried. An economic crimes prosecutor explains that there can be various raid points depending on if one wants to make a success of the criminal investigation or secure the money. In those situations, it is always prioritised as the best time to secure evidence for a conviction.

Priorities

Exactly how much effort is put into securing the money (apart from efforts made within the framework of the criminal investigation) depends on the attitude of the individual prosecutor. A lot of the interviewed prosecutors explain that if they are dealing with a large case, the workload can be very heavy, and it is therefore not certain that they would be able to also manage having to actively work with issues relating to proceeds of crime – especially when they have the option not to.

> *We have a huge amount to do. Our desks are overflowing, and if we have to think about money as well, then it's almost like when you have people detained. We have deadlines to watch out for, and, time and again, we might be forced into sequestration negotiations. That means a lot of extra work, and, off the top of my head, I don't know if it is taken into account. What is important to us is to be able to take care of the court matters that come in. If, then, we have hunted down every krona ... I don't even know if the authorities measure it in some way, nobody emphasises it in any case. But we try to handle crime.*
>
> Prosecutor, EBM

Another reason that many prosecutors do not take an active interest in criminal assets recovery is that today's legislation is seen as ineffective. Several interviewees have expressed doubts regarding whether it is really worthwhile spending time and resources on this work while the legislation looks like it does today and success is uncertain. A few of the prosecutors interviewed say, straight out, that

they are simply waiting for new legislation before getting involved in the issue. They are tired of the argument that one should push the existing legislation to the limit.

Lack of well-defined goals and performance monitoring

The interviewees explain that the directors of each of the law enforcement agencies have started showing all the more pronounced interest in criminal assets recovery. The most obvious change is within The Economic Crime Authority, since they established the Assets Recovery Office and now provide training for the recovery of criminal assets. The fact that the issue is elevated within the authorities stimulates, of course, the workers – but one problem faced is that the 'new' focus on criminal assets is not especially well defined when it comes to work methods and goals. A reasonable interpretation is that there is a need for clear instructions from the directors in order for more of an impact to be made in the organisation.

The lack of well-defined goals is tied to the fact that there are no statistics or feedback for the recovery of criminal assets. The result is that it is not 'seen' anywhere if prosecutors and investigators have succeeded in confiscating assets and the like. On the other hand, the number of prosecutions are clearly shown in all statistics. So to focus solely on investigating crimes and putting individuals on trial produces a much more obvious result.

Also invisible is the time that a prosecutor or police officer spends collaborating with other authorities for the recovery of criminal assets, which could, of course, also have an effect on incentive.

A consequence of the fact that criminal assets recovery is not accounted for is that many prosecutors satisfy themselves with the knowledge that the Tax Agency can, in some cases, secure unpaid taxes. The lack of performance monitoring is taken as an indication that criminal assets do not really lie in their jurisdiction.

Instead, the view is that the main responsibility lies with the Tax Agency, and it is often judged that their efforts suffice. There is a risk, then, that a prosecutor's involvement could be reduced to contacting and informing the Tax Agency and the Enforcement Authority in cases where it is possible to decide on distraint. That way, the prosecutor does not need to use up so much time or resources on assets recovery but can, instead, concentrate on criminal investigation and trials. Many prosecutors see Skatteverket's distraining actions as something of a universal solution for recovering money. It is very rare for a prosecutor to try to confiscate money alongside distraint.

Threat level

Both the interviewees from law enforcement agencies, as well as control authorities, emphasise that a closer focus on criminal proceeds could lead to an increased level of threat for the officers. Since money and property are the main driving force behind criminal activities, it is felt that confiscation or recovery of these assets would awaken much stronger feelings than a possible prison sentence. Those who choose a criminal lifestyle know that the rules of the game could include serving a prison sentence. What they do not count on is also losing their criminal or undeclared gains, something that could even threaten their lifestyle or family economy. The perceived increased level of threat against officers, together with the option to opt out of working to recover criminal assets and the lack of performance monitoring, is likely to have a negative effect on incentive.

Money laundering reports

Private actors on the legal market are important partners for the law enforcement agencies in criminal assets recovery. Operators within some cash-intensive branches, such as banks, exchange bureaus, estate agents and auction houses, are included in the act (1993:768) on measures against money laundering[2]. Included in that law is a *requirement for identity checks* for people who wish to enter into a business relationship or carry out a transaction of 15,000 euros or more. The businesses also have *scrutinisation and information liability*, meaning that they must scrutinise all transactions that can reasonably be considered as money laundering and report them to the Swedish Financial Intelligence Unit.

The number of money laundering reports that are handed to the Financial Intelligence Unit varies greatly between the different branches of business that are obliged to report. Some branches do not report anything, some report a few sporadic cases per year and others report daily. Many interviewees point out that, generally speaking, there is not much incentive for reporting. One of the reasons that was mentioned is that it does not appear that the reports lead to anything, partly because – as it was put – the Financial Intelligence Unit is being flooded with reports that they do not have time to look through. Such an outlook, of course, leads to questions being raised regarding the value of spending valuable resources on writing and giving reports.

Those who report most cases of suspected money laundering are banks and exchange bureaus. For them, three general incentives can be discerned for actively working on issues relating to money laundering:

First, the businesses, in-line with earlier research, do not wish to risk their reputation by being connected with money laundering and fraudulent activities. The business of both exchange bureaus and banks is largely based on trust – that is why the directors of these businesses are well aware of these issues and prioritise them.

At the same time, the businesses are interested in keeping good customers, which is dependent on their finding a balance between preventing money laundering and preserving customer relations. Some interviewees stress that the informing prohibition – that is, that an employee may not inform the customer that they have been reported, or will be reported – means that cashiers sometimes have to withhold the truth from the customers, which is not pleasant to do.

The second incentive is that the authorities' and businesses' interests are both involved. There are areas very closely related to money laundering that can spell direct economic damage for banks and exchange bureaus, such as fraud. In this way, efforts against money laundering are integrated into the businesses' high-priority security work against fraud.

The third incentive is a combination of a general sense of justice and a desire to follow the law so as not to risk being sanctioned. The businesses are, however, profit-driven operations, meaning that they apply the legislation in a way that is as cost-effective as possible. Interviewees within the private sector mention that the legislation does provide a certain amount of leeway for how one judges the situation. While questions must, of course, be asked about a suspicious transaction, the individual employee chooses to gauge the response based on his or her opinion and understanding, and, according to the interviewees, it can be convenient to accept an oral explanation if it sounds reasonably plausible. Another example is that most exchange bureaus and banks allow a suspicious transaction to take place if the customer identifies him or herself. The bank can then report to

[2] The study was carried out while the act (1993:768) on measures against money laundering was still applicable. It has now been replaced by the law on measures against money laundering and financing of terrorism, which means, among other things, that more actors have become obliged to report.

the Financial Intelligence Unit in retrospect. That way, the bank or exchange bureau earns money on the transaction and, at the same time, they believe they have carried out their duty according to the legislation. The fact that refusing to accept these transactions would mean lost income for the business makes it difficult to prevent them being allowed through. The following interviewee from within the banking system explains how difficult it is for a business to introduce a policy for refusing all suspicious transactions.

> *It's not easy for me to stand up for such a discussion against my own board of directors and say that I suggest we should put morals first here and refuse all of these transactions that we really know are criminal, or where the money has a criminal origin. Of course it would just come straight back with "yeah ... and what are the other banks doing then? Is this a collective thing or is it just us that are doing it? Are we going to lose hundreds of thousands, or maybe millions, every year in fees when no one else is doing it?" At a stretch, I'd agree with that argument.*
>
> Interviewee from a bank

In the same way as is illustrated in the above quotation, several interviewees emphasise the situation regarding competition with other actors as an important aspect when it comes to how the company chooses to act on the money laundering issue. As for the banks, the interviews show that there is a relatively consistent understanding of how money laundering should be handled. However, the situation appears to be more problematic for other business branches. One interviewee from an exchange bureau says that there are few actors in that branch that actually report suspect transactions, meaning that the businesses compete on different terms. If an exchange bureau is thorough in checking identification and posing questions to suspicious individuals, there is a big risk that the person will just go to another exchange bureau instead, where there are less security checks. Another interviewee, from the Financial Intelligence Unit, stresses that, in the long run, it leads to change in the market share, which, in turn, results in unhealthy market conditions. The consequence is that there is a big risk that businesses that are not doing well financially will stretch the limits of their obligation to report in order to improve their competitive standing.

The most common solution that was suggested in the interviews is better oversight and inspection of the private actors. An interviewee from an exchange bureau points out that inspections are so flawed today that one almost gets the impression that responsibility to report is on a voluntary basis. Lack of controls were seen to have a direct negative effect on the incentive to report.

The third incentive – a combination of a general sense of justice and a desire to follow the law so as not to risk being sanctioned – can therefore be viewed as secondary to the two first incentives, and, for it to be strong enough that the following is needed:

- All actors in the same branch that are obliged to report should report to the same extent, in order to maintain the competition.
- Those who are legally obligated to report should feel that oversight works and that there is the risk of sanctions.

Tools and knowledge

In order to be able to carry out successful and efficient work relating to criminal assets, the authorities need to know about relevant legislation, investigation methods, the set-up and work methods of other authorities and the methods that criminals use for handling money and assets. The level of knowledge varies among the personnel who were interviewed. Many of the interviewees do not believe that they have enough knowledge in many of these areas and express uncertainty about criminal assets recovery.

Those employees who have a deeper knowledge about the issue have often received it because of their personal interest rather than any well-thought-out training strategy by the management. The consequence of that is that it is the investigation group's structure that decides how complete the recovery of criminal assets will be. If the group comprises people who are interested in and have knowledge about criminal assets recovery, there is a greater likelihood that such efforts will be made within the framework of the investigation.

The solution to the problem of uneven levels of knowledge is to introduce a more systematic training programme. Training sessions are already organised, but, since they are not obligatory, the risk is that those who are not interested or do not feel that they can spare the time will opt out of them. Apart from training, many interviewees would like better methodological support and simple documented procedures.

Even if there is a need to increase the general level of knowledge about criminal assets recovery, many interviewees stressed that the law enforcement agencies also need to be strengthened with more experts, for example by recruiting more economists. Working with criminal assets is viewed as so involved and complex that specialists are needed. Several interviewees explain that it is definitely important for personnel to have a wide knowledge base, but that it is unrealistic to believe that they can be experts in all aspects. An illustrative example is a prosecutor who describes the situation with the following metaphor.

> *These days we have so much to do, and we're kept busy with so much special stuff, so you can't be good at everything. That's how it is in today's society, you can't be both a brain surgeon and an orthopaedic surgeon. If you end up on the operating table today after a car accident, it's different doctors who work on you. One looks at your brain and then in comes the orthopaedic surgeon, who sets your bones right and puts you in plaster. Then comes an optometrist if your eyes are damaged. But the way it works in the legal system is that, if a big problem arises, we have to be the brain surgeon, optometrist, orthopaedic surgeon, nurse and anaesthetist. That's how it is, and you don't have the qualifications. You have to be so bloody good at what you do these days, otherwise you can't land the case. So, when working against serious organised crime, it's an overwhelming assignment to have all of the necessary skills, to sort of keep all the balls rolling. You need to have people who are good at it, focused on it and are able to do it. Then someone else can take over the process and that issue and so forth. It's quite natural in all other businesses, apart from this one, to have different abilities and aims.*
>
> Prosecutor

A large portion of the interviewees mention the Tax Agency and the Enforcement Authority as two authorities that have a lot of knowledge about assets recovery, which makes them two very important partners.

Interviewees from these two authorities, however, stress that there is a need for increased knowledge about what information each authority has access to and what they can or cannot do. The greatest need is seen to be for the law enforcement agencies to have a better understanding of the powers that the Tax Agency and the Enforcement Authority have.

It follows that there is a need for the different authorities to inform each other about how they can contribute to the recovery of criminal assets. One solution would be some kind of training sessions and seminars where these issues are discussed. The opinion is that this would help everyone involved to understand why the Tax Agency and the Enforcement authority act the way they do sometimes.

As mentioned before, a lot of the interviewees from within the law enforcement agencies believe that the legislation related to criminal assets recovery is ineffective, complicated and resource-demanding. Tools that are sought after are a money-freezing institute that makes it possible to temporarily detain funds pending further investigation. The opinion is also that money laundering in itself should be criminalised – today the only crime is receiving criminal money, which requires that the money or assets originate from someone else's crime, not that someone launders their own proceeds from crime or dirty money. The greatest criticism, however, was aimed at the stringent requirements for proof that are applied for being able to confiscate money, and several interviewees advocated the idea that Sweden should introduce some form of reverse burden of evidence for these issues. That would mean that it would be for the suspect to prove how he or she got hold of the money and property. Some interviewees, however, raise doubts about a reverse burden of evidence and think that such a practice would threaten legal security.

A pattern that develops in the interview material is that, at the same time as there are strong opinions about the current legislation, detailed knowledge about the rules is relatively poor. Many interviewees say, for example, that they are not so well informed in custody, sequestration and confiscation legislation.

The collective judgement of the interviewees is that, since many personnel are of the basic opinion that the legislation is insufficient, they are also unwilling to apply it. The result of which is a situation characterised by inexperience and lack of routine, which, in turn, leads to uncertainty in applying the legislation, even in cases where it is actually fully usable. A prosecutor provides the following description of what can happen when money is found.

> *It's like you have to secure this money somehow, and then you can take it into custody. And now most people start thinking it's going to get difficult, because it's custody and sequestration that everyone generally thinks are really tough and aren't used so terrifically often. And then I think that, if someone finds money, then of course most would want to take this money, but then you can't link it with this particular crime. Right, so there's an easy way out: we'll give it back. And it sounds really awful, so I'm not going to say that everyone does that, but it happens, I think, and then you end up in the situation where you're not using the legal framework – and if you're not even using the legal framework when you find things, then you have a gigantic problem if you are going to get prosecutors to look for things. In any case, if you're talking about everyday matters, the usual matters, that, I think, is one of the problems.*
>
> Prosecutor

A reasonable conclusion to come to is that the shortage of experience using the legislation together with lack of time leads to criminal assets recovery often being prioritised away. Several interviewees explain that what is needed for them to take the offensive in recovering criminal assets is well-documented positive experiences of using the available tools. There are not many prosecutors who feel that they have the time or motivation to try and find new ways in the legislation.

The interviewees were divided in their opinions about the meaning that the legislation on confidentiality has for a working partnership between the authorities. Half of the interviewees do not view the legislation on confidentiality as a problem, especially if a preliminary investigation is under way. The other half thinks that the rules are complicated and obscure, which leads to a careful approach being taken. The latter group believe that the legislation on confidentiality needs to be clarified because of the uncertainty they experience regarding which details may be released.

Resources

The recovery of criminal assets puts demands on resources. One recurring theme in the interviews is that many interviewees testify that there is not always enough time available to get involved in criminal assets recovery. At first glance, the most obvious solution would be to increase the number of staff, but, by looking a little deeper into the analysis, the assessment is that resources can often be freed up through more structural changes.

The interviews provide a picture of insufficient knowledge and experience in criminal assets recovery. From the individual worker's point of view, this picture, in combination with a heavy workload, is a good reason to follow familiar routines. To simply add more posts does not, therefore, seem to be the right answer. Instead, training and method development should result in criminal assets recovery becoming part of the daily routine. This knowledge and awareness needs to permeate entire organisations in order to make an impression on the day-to-day workload. If the criminal assets way of thinking becomes a natural part of the criminal investigation, it can be considered as early as at the planning and priorities stage – which frees up resources. This is especially important when bearing in mind that criminal assets recovery has the greatest chance of success if it is initiated at the beginning of a criminal investigation.

As long as criminal assets recovery is a natural part of the actual criminal investigation, there do not appear to be any problems when it comes to resources – on the condition that personnel are well acquainted with the work methods. It is when the recovery of criminal assets goes outside the efforts that are normally carried out within the framework of the criminal investigation that it becomes necessary to consider and decide how much work should be put into it. Criminal assets recovery is secondary to the criminal investigation according to the law enforcement agencies. For example, it is not possible to launch and carry out a preliminary investigation with the sole purpose of looking for money. Neither can a preliminary investigation be held open if the only reason is relating to criminal assets.

When it comes to the need for more personnel, the interviewees point out the intelligence gathering aspect: in order to collect information about money and property, a comprehensive and resource-demanding work in intelligence gathering is often needed.

Cooperation and responsibility distribution

Most of the interviewees who work in the law enforcement agencies feel that cooperation is generally good, with both other law enforcement agencies and control authorities. There are, however, a number of areas that are seen as needing improvements so as to bring about smoother collaboration in criminal assets recovery.

One of the views that was expressed is that a lot of the collaboration is relatively disorganised and unstructured. There is a lack of clear guidelines and routines about how the collaboration should work – which are seen as necessary for the work to be more coordinated and, therefore, effective. The interviewees explain that, many times, contact between the authorities is made on an informal basis. Since the authorities lack established points of contact, it is difficult to know where to turn to, so the worker calls someone who they already know in the organisation and let that person steer them in the right direction. Many of the interviewees say that they have built up their own network of people in authority that they have met. An evaluation, then, is that inter-agency meetings and seminars play an important role in collaboration work, because it forms an arena where contacts can be created.

One of the explanations given as to why personal contacts are valued is that confidence between those who are collaborating with each other is essential. As described earlier, many feel uncertain about the legislation on confidentiality and, accordingly, take a careful approach when it comes to information exchange between the authorities. Personal contacts built on trust are therefore an important prerequisite in order for collaboration to work. The disadvantage of collaboration based on personal contacts is that the channels of contact are dependent on the people involved, meaning that, should the person change posts, or if the authority is reorganised, collaboration will be affected.

There are a number of different work groups and collaboration projects between the organisations, which is a good thing in the eyes of the interviewees. On the other hand, a problem that was brought up is that these groups and projects are relatively tied to the individuals and there is a tendency that the knowledge and information exchange that is built up in the groups is not spread far outside the groups in question. In addition, it is often the same people that are members in several different groups.

One suggestion that was made by several of the interviewees for more structured collaboration is to create established points of contact in every organisation. That would make it easier to reach the right person directly, without needing to waste time searching around for someone who can help.

Another complicating circumstance for effective collaboration between the authorities is that the authorities themselves work with different time horizons; that is, they have different agendas, priorities, work times and focuses that all complicate collaboration. For example, parts of the police force work in real time – they need to act on the spot against an ongoing crime. The tempo is high and decisions need to be made quickly. The Economic Crime Authority and the Tax Fraud Unit, on the other hand, are used to working patiently towards a longer time horizon, since the character of the investigations means that it can often take a long time to find information that is needed. Control authorities, like the Tax Agencu, very often have an even longer time horizon. This work method, of course, makes it more difficult to effectively collaborate with authorities where the work is more event driven. There is a risk that personnel working at the Tax Agency could be tied to planned assignments and therefore have all too limited breathing space for assisting the police and prosecutors. The Tax

Agency needs to set aside resources in the form of personnel who can, at short notice, work operatively with investigations and investigative activities, if collaboration is to work smoothly.

Another obstacle is the different hours of work that the authorities have. The police and customs work around the clock, which the Enforcement Authority and the Tax Agency do not do – they work office hours. This means, according to interviewees, that if the police make a raid during the evening or night and inform the Enforcement Authority, the earliest they will get there is the following day, and, by then, the property may have disappeared. In addition, the Enforcement Authority and the Tax Agency shut down their data register during evenings and weekends, which makes it impossible for the police to check if a debt is registered or not.

Another problem, which was taken up in a few interviews, is that, very often, different authorities have different information and system support. If collaboration is to be more effective and to run more smoothly, there is a need for compatible systems that make comparisons and information analysis easier.

An issue relevant to collaboration is: who takes the main responsibility in criminal assets recovery? As described earlier, most interviewees agree that the recovery of criminal assets is important and something that should be worked with. The resulting question, however, is: how should it be worked with at a more detailed level? That is where the opinions are not so clear. Some of the interviewees want clearer management from the Ministry of Justice in order for the authorities to collaborate their work more effectively.

Once again, the aforementioned lack of well-defined goals becomes a major obstacle. A clearer description is needed regarding who should do what, what needs to be done and under what circumstances. One interviewee describes the authorities' criminal assets recovery work as 'a hedgehog where the spines are sprawled out in all directions'.

The most common view among the interviewees about who it is that bears the main responsibility for criminal assets recovery is that it rests with the prosecutor in his or her role as leader of the preliminary investigation. However, since there is a lack of properly formulated and clear directives for the recovery of criminal assets, the prosecutors are given the option to opt out of it. The amount of work that is put into criminal assets and collaboration between the authorities is therefore dependent on the prosecutor's attitude and priorities. Besides, as has already been mentioned, many prosecutors think that the assets issue primarily belongs to the Tax Agency.

As it has become apparent in the report thus far, criminal assets recovery has not yet become an integrated part of day-to-day work. It is, however, clear that there is an ambition, from the management side of things, to increase the extent to which criminal assets recovery is carried out – as exemplified by the Assets Recovery Office and the Regional Intelligence Centre.

The Assets Recovery Office

On 1 January 2007, the Economic Crime Authority established a special unit – the Assets Recovery Office. The unit's purpose is to work as a resource in the Economic Crime Authority's criminal investigations, working to track and recover money and other property from criminal activities. This means that they can only assist in economic crime investigations.

According to the Assets Recovery Office's implementation plan, the overall goal is that 'training and operative efforts shall be permeated by work methods that result in legal proceedings that, to a greater extent, also lead to confiscation'. By that definition, the Assets Recovery Office is the clearest step there is towards criminal assets recovery within the Swedish legal system.

The Asset Recovery Office comprises a district prosecutor, an economic accountant, an analyst and an investigator from the Enforcement Authority.

The Asset Recovery Office does not take part in all preliminary investigations at the Economic Crime Authority, but is first brought in when the leader of a preliminary investigation asks for assistance. This is done formally by summarising the matter in a special form. The Asset Recovery Office then considers the request by evaluating success factors, the size of the criminal proceeds, community interest and other factors. If the Asset Recovery Office concludes that there are reasons to assist in the case, they work together with the investigators and prosecutors. The Asset Recovery Office can assist in mapping the economic flows by, for example, checking bank account withdrawals and the suspect's assets, and calculating how much money the criminal activity has generated.

The Asset Recover Office can also assist in tracking the suspect's assets and 'initiate and carry out sequestration proceedings with the aim of assuring the execution of a future decision on forfeiture' (EBM-handbok 2007:2, page 2).

The first year for the Asset Recovery Office can be described as a straight formation phase. Although there is an implementation plan and a general idea of how the Asset Recovery Office will work, clear guidelines are missing at a more detailed level. The explanation for this is that there has never been any collaboration of work in Sweden aimed at criminal assets, and that there is, therefore, a lack of national experiences to build on. The result is that the Asset Recovery Office has not been able to act with full operative power during its first year, but the main goal was to build the unit up and get it to work in the cases that the unit became involved in.

The development has been characterised by trial and error. The result – which will be developed later – is that the Asset Recovery Office's activities are perceived as unclear by a number of prosecutors. They expected there to already be elaborate routines and well-developed work methods when they requested assistance from the Asset Recovery Office.

Another factor that affected the work during the first year was the lean flow of cases. Prosecutors were very quiet in requesting formal assistance – there were fewer than ten cases. This meant that, effectively, the Asset Recovery Office could not judge which cases were most appropriate to go ahead with, instead, they had to take the few matters that did come in. That was a great disadvantage, both from an effectiveness point of view and a strategic one. Effectiveness was affected because there was no possibility for prioritising the cases that had the greatest potential for success in securing the proceeds of crime. From a strategic point of view, the Asset Recovery Office could not choose the cases that were most interesting from a method development perspective.

An argument presented by some prosecutors is that assistance was not requested because the money has often already disappeared by the time the Economic Crime Authority are notified of the crime. As a rule, it is the Tax Agency or liquidators who report a suspected crime to the Economic Crime Authority. By the time a report is established, a considerable amount of time may have passed since the crime was committed. When money and property have disappeared, it is viewed as practically impossible to get to them.

> *I would like to see an evaluation of the Asset Recovery Office first, and see what they really get hold of, because, the way I see it – in my own investigations – is that, as a rule, there is nothing to collect; in many cases, the money has gone. That can be seen in the investigations ... it's not even possible to see where it has gone by the time it has left the country.*
>
> Prosecutor

Other prosecutors say that there is no established routine for prosecutors to request assistance, so there is an impending risk that they think about it too late. As mentioned above, prosecutors request assistance by filling in a special application form; several of the prosecutors interviewed strongly oppose that form, which is seen as too formal, too complicated and having far too many questions.

Another explanation that the prosecutors give as to why assistance is requested too late is that, in the initial stages of a preliminary investigation, it is difficult to know if there is any potential for tracking and reclaiming proceeds of crime. Prosecutors do not request assistance because they have doubts that the Asset Recovery Office will find the case of interest, so they wait. When the prosecutors actually begin to form a picture and see that there may be criminal assets, and perhaps request assistance from the Asset Recovery Office, they have very often progressed so far that the preliminary investigation is drawing to a close. At that stage, the suspects have usually already been arrested, and searches and telephone surveillance have been concluded, which causes great difficulties for the Asset Recovery Office to catch up with the information. If assistance is requested when the preliminary investigation is finished, the possibilities for information gathering through searches and telephone surveillance are completely zero, since, by then, it is not possible to carry out measures of enquiry used for a preliminary investigation.

In order to have as great a potential as possible for securing the money, it is necessary that information is gathered at the same time as the criminal investigation is carried out. If the Asset Recovery Office can enter the picture while the preliminary investigation is planned, then they can, for example, assure themselves that the police officers record findings that are relevant from a 'criminal proceeds' perspective: this would include photographing and documenting movable and immovable property. Otherwise, there is a great risk that the police officers will make observations only that can incriminate suspects.

Among the things needed for the Asset Recovery Office to be able to carry out its work successfully is information on property rights and how the suspect is linked to various activities and property. The very best arrangement is that this is mapped out before any police raid takes place – when there is already a basis for securing money and property.

Looking back at the Asset Recovery Office's first year, it was only in exceptional cases that they were involved early on in the preliminary investigations, which has likely contributed to the difficulties they have had in successfully securing proceeds of crime.

It is stressed in the interviews that there is a need to develop routines that make it easier for prosecutors to decide at an early stage if there is good reason to request assistance from the Asset Recovery Office. Several prosecutors think that a solution could be to make it obligatory to send matters to the Asset Recovery Office for assessment if they match certain basic criteria at an early stage. If the Asset Recovery Office believes, after the assessment, that the matter is appropriate from a criminal assets perspective, they would express their desire to be involved, and then the prosecutor would decide if assistance is requested or not.

Today, there are a few prosecutors who compulsorily send their project plan to the Asset Recovery Office when a case comes in, but a more structured system is needed, partly because – due to limited resources – it is not possible for every case to go through the Asset Recovery Office, and also to establish that it is not the individual prosecutor's opinion that decides whether or not a case is appropriate for the tracking and recovering of proceeds of crime.

At the same time as the Assets Recovery Office's partners would have loved to see more incoming cases, the resources during the first year were limited. At

most, the unit comprised four people, which meant that, if a big case had come in, they would have been occupied with it for several months. However, in reality, the limited resources hardly led to any major problems, since prosecutors did not request assistance to any great extent. If the amount of incoming cases increases, a possibility presented by one interviewee could be for the Asset Recovery Agency to concentrate its efforts on the resource-demanding cases while the more simple, day-to-day cases are seen to by the Prosecutor's Offices themselves.

Some interviewees think that the Asset Recovery Office is much too small, but the predominant opinion is that the advantage of starting small is that they can develop and see what will be involved in work assignments and where the focus should lie. A relatively large amount of interviewees understood that it takes time to develop this kind of operation.

The Regional Intelligence Centre in Västra Götaland

On 1 January 2006, a local intelligence centre was formed in Gothenburg. It was soon expanded to include all of Västra Götaland and changed its name to Regional Intelligence Centre Västra Götaland, normally shortened to 'RUC'. RUC Västra Götaland was the first regional intelligence centre in Sweden, but its equivalent has been formed in seven other places in Sweden. Furthermore, the National Criminal Investigation Department is working to build up a National Intelligence Centre. The purpose of the RUC is to collaborate with the authorities in streamlining intelligence work relating to organised crime and related economic crimes. It is not explicitly included in the RUC's mission statement that the intelligence reports that the centre develops should include information relevant to the recovery of criminal assets, but the make-up of the authorities, with a heavy element of economic focus in the broadest sense, means that this kind of information is a natural part of the intelligence work. RUC Västra Götaland comprises an administrative group and a steering committee. Included in the administrative group are representatives of the Economic Crime Authority, the Tax Agency (from both the Tax Fraud Unit and the financial side), the Enforcement Authority, the Police and Swedish Customs. The Financial Intelligence Unit is not a permanent part of the administrative group, but has an administrator linked to it who is available when needed. The steering committee is made up of representatives from the same organisations as the administrative group, but also includes the Prosecution Authority and The County Administrative Board.

The administrators in the RUC are grouped in a venue with a computer link to their respective organisation's databases. On predetermined days during the week, each administrator works at the RUC – the remainder of their work time being spent with their home authority. The process at RUC Västra Götaland is that the steering committee selects individuals or situations. Following this, the administrative group compiles information about them with the help of registers and other sources. The information is then compiled in intelligence reports. When a report is developed, it is given to the steering committee, who decide whether there is sufficient reason for there to be an operative case at one or more of the collaborating authorities.

Interviewees from the RUC do not experience any great problem with their work because of the legislation on confidentiality. At the RUC, all collaborating authorities, with the exception of the Tax Agency's financial part and the Enforcement Authority, take part in the actual intelligence work – the latter two authorities work more as information providers. The financial part works solely with matters pertaining to taxation, but controls registers that can be of interest for intelligence purposes. Applying the legislation on confidentiality, some of this information is therefore passed on to other authorities in the RUC.

The legislation on confidentiality is the be all and end all in the RUC's collaboration, and the representatives have therefore learned where their own and the other authorities' confidentiality boundaries lie. This creates, among other things, an understanding about how the various administrators are able to act, because they work within the area of authority that each one represents. It becomes clear from the interviews that an understanding of the legislation on confidentiality is the key to successful cooperation in the RUC. The administrators express how, the more they probe into the legislation on confidentiality and understand it, the fewer obstacles it puts in the way. A deeper understanding of the legislation means that the administrators feel more confident and dare to apply it fully instead of choosing an unnecessarily defensive attitude.

The collective experience is that the confidentiality review is simplified if those requesting information know what kind of information it has to do with, why it is needed and which rules for breaking confidentiality support the request. Several interviewees, however, tell how, despite having a high level of knowledge about the legislation on confidentiality, it can, in some situations, be unclear where the boundaries lie. If one goes too close to the boundary, the safety margin is reduced and concern arises regarding whether one lies on the right side or not. Because of this uncertainty, even clearer guidelines are required.

In addition to knowledge of the legislation on confidentiality, the interviewees also believe that there is a strong collective knowledge of the collaborating authorities' organisation, assignments and culture. There is, however, a certain amount of unbalance when it comes to knowledge, because the administrators are naturally focused on their own area of authority and know less about the other administrators' areas. The Police, the Economic Crime Authority and The Swedish Customs are similar to each other, but the Tax Agency and the Enforcement Authority have a different background and culture. The differences are noticeable when they are working on the cases. Those differences, however, are said to be one of the RUC's strengths, because the different authorities' various perspectives and skills provide greater breadth to the work. Because of the continuous exchange of knowledge, collaboration within the RUC is described as very well developed by the administrators interviewed. They embrace different ideas and angles of approach from the other authorities, and, in this way, the work at the RUC can be described as a development process where understanding of the other authorities is continually improving. However, the administrators do acknowledge that there are still several areas they can improve on – an example of which is the theme for this report: criminal assets recovery.

An understanding that can be reached from the interviews is that the composition of different authorities in the RUC puts great responsibility on the individuals in the administrative group. Some authorities have a rota for participation in the RUC between two different administrators, while others have appointed only one person for the post. The result of this close cooperation is that each individual's skills, qualities, network of contacts and attitude decide how successful the information exchange will be between their home authority and the RUC. In other words, it is very important to have the right person in the right position.

As mentioned earlier, the main idea is that the steering committee compiles the cases that the administrative group should work with, although the administrative group can provide input to the steering committee to help decide whether an investigation project should be started or not. According to the interviewees, the administrative group's self-initiated suggestions are also the more common way that a case is opened. This could be a sign that the members of the steering committee do not fully use their respective authorities to compile information that can generate a project. Several of those steering committee members who

were interviewed also believe that they need to be even better and clearer in their orders to the administrative group.

> *I think that we still have a lot to learn when it comes to the actual ordering assignment. The steering committee could be better at ordering. We should, perhaps, learn a little about what options are open to us to attack these people and what it is that we ourselves want to know from the administrative group. Maybe it often ends up that we let them do it, to find the information themselves. That can often be due to the fact that the administrative group knows more than we do about the available options .... So I think that we in the steering group should work more in the actual ordering role.*
>
> Member of the steering committee, RUC

Interviewees from other Regional Intelligence Centres outside Västra Götaland also bring up this point, and they believe that it is important that the steering committees formulate clear goals and know what they want from the organisation, instead of just letting the administrative groups go ahead with the work and see what comes of it.

When an order from the steering committee (eg the activities of a known criminal are mapped) reaches the administrative group, they commence by compiling an intelligence report. The first stage is to assign a lead administrator for the case. The administrator then collects information from other authorities and analyses the material, with the help of the other administrators. The information comprises both newly collected pieces of intelligence and a breakdown of the material that each authority may have had before. The advantage of the report is that all of the information that the authorities have on 'the object' is collected in a single intelligence report, instead of each authority compiling its own. A comprehensive view is thus created. Compiling an intelligence report can take anything from a month to a year – in other words, it often involves relatively large matters that demand a great deal of resources. The RUC's ambition is to gather as much intelligence as possible in each case, and the administrator is not assigned another case until the previous one is concluded. The commitment to quality ahead of quantity means that there are not many cases during the year at the RUC.

Interviewees from the RUC do not think that they have too few resources. More resources would, of course, generate more cases, but it would also put demands on the respective authorities' operational capacity and would mean that they would also need to increase their available resources in order to convert intelligence reports into actual law enforcement.

When working with the report, the administrators try to judge how it is possible to achieve the best possible result from the collected information in a later operational phase. In other words, it is not only about putting people on trial, but can also involve investing resources on administrative sanctions. In the report, they also try to recommend that the measures are implemented in a certain order, so as to achieve a maximum effect.

When the intelligence report is written, the steering committee is briefed, which then discusses whether the matter should be taken further for operational measures by one or more of the authorities represented by the steering committee.

According to the interviews, it is the transition from the RUC to operational work at one of the authorities that presents the biggest challenge for the RUC. In the analysis, it is possible to identify two major factors in the actual transition of the matter that affect how successful the continuing measures will be: the quality

of the intelligence report and the receiving authority's cooperation with and fulfilment of the contents of the report.

Intelligence work at the RUC can usually only reach a certain level, since it is dependent on the information that the authorities have available in one form or another. When that level is reached, it is often time to let the matter progress to a preliminary investigation or some other action. In some cases, it can be necessary for the receiving authority to carry out further intelligence work before any action is taken.

According to the interviews, some reports left the RUC too early during the RUC's first two years, and the receiving authority did not accepted that the report had sufficient substance in order to be able to take over or carry out operative measures with it. The RUC has tried to solve this by retaining the cases for a longer period and allowing operating personnel to have quality control over the reports before they are sent on.

> *So I think we've come quite far, because now we don't have to have this difficult handover situation where the receiver just gets a whole load of material and nobody really understands what it's all about. It's easy to fall into that situation, intelligence analysts don't always think the same way as an investigator. The intelligence analyst sees interesting links, but the investigator just sees factual links. And therein lies a very big difference. A prosecutor wants facts and to know what the problem is. An intelligence analyst sees interesting problems, possible problems, and there is a certain difference in the way of thinking. But I think that we are heading the right direction.*
>
> Member of the steering committee, RUC

Before a case leaves the RUC, they endeavour to make sure that the details it holds are of the sort that, as close as possible, meet the conditions for initiating a preliminary investigation or other action. The conditions considered best for an authority to succeed operationally with a case are when suspicions are strong when the case is handed over. Interviewees mention that the experience gained from the RUC's early days is that the best operational results are attained when the focus is aimed at one or two people, so as to present strong suspicions and what they consist of, instead of mapping out large groups of people.

Apart from the quality of the intelligence reports, the receiving authorities' cooperation and how they fulfil the contents of the report are also important factors when it comes down to the success of a case. Even though there are several examples of successful cases during the RUC's first two years, the interviews show that there is still room for improvement when handing the matter over to the operational phase.

Interviewees from both the administrative group and the steering committee think that a more long-term and well-thought-out plan is needed for when cases are transferred from the RUC to the operational phase. One aspect that was brought forward is that it is important that a case with an accompanying action proposal should land in the right place within the receiving authorities – that is, in the hands of committed and interested workers who will make use of the information contained in the reports in their operational work.

When a case leaves the RUC and goes over to the operational phase, the idea is that the RUC should relinquish it completely. That is, the administrators should not continue with the case when the authorities continue the work. So far, however, this has not been the case. According to the interviewees, it is quite common that administrators are, to a certain extent, still involved in a case and 'ac-

company' it at the operational stage – during the first transitional phase, at any rate. It is apparently difficult to judge when to let go.

Also emphasised in the interviews is the importance for the various authorities to leave room in their activity plans for cases coming from the RUC, including sufficient resources for pursuing the case. It is, however, not enough for the authorities to have an activity plan, because many of the cases that arrive from the RUC also demand collaboration at the operational stage.

The interviews indicate that there is a risk that the degree to which the authorities collaborate could shrink when a case leaves the RUC. The case is at risk of being stalled at one authority or being broken down into smaller cases that end up with separate authorities. That being the case, there is a need for the authorities to become better at translating intelligence handling into joint-authority operations. The interviews provide a picture of how the doors between the authorities are not so open during the operational phase because the channels of contact are not as certain as they are within the RUC.

One solution that turns up in several interviews is that there should be joint-authority task forces that receive the case when it leaves the RUC and enters an operational stage. Today, there are joint-authority task forces that are used in some cases, but what is wanted is the more regular use of some form of operating collaboration groups.

Concluding discussion

'You can talk the talk, but can you walk the walk?'

No less than 96 people were interviewed in this survey, and the collective message is that law enforcement should have a substantially greater focus on 'following the money'. It is not enough to think simply in terms of punishing the criminals for their crimes, as has been the way before. 'Money is the driving force' is the idea, and so the legal system should make sure that the motive is minimised through the recovery of criminal assets, where money and property is seized and confiscated. In that way, the profits of crime are reduced – which should have a significant crime prevention effect.

The interviewees mainly feel positive about the idea that organisational structures have started to be built up. The most apparent symbol is the Economic Crime Authority's Asset Recovery Office, but the RUC in Västra Götaland also represents the new efforts relating to criminal assets recovery.

There is, therefore, no doubt that there is great awareness of the need for complementing traditional law enforcement with a criminal assets orientation. But if we go from words to actions, it immediately becomes more difficult – it is easy to embrace the ideas for the recovery of criminal assets, but turning those ideas into a reality is not so simple. Why?

'Catch-22'

There are several explanations regarding why criminal assets recovery is still in its infancy. More knowledge is needed about what information each authority has available and what they can and cannot do. The greatest need is seen to be for the law enforcement agencies to have a better understanding of the powers that the Tax Agency and the Enforcement Authority have. The need for understanding other authorities' work methods as well as how much and what kind of information they possess has also been observed internationally (Nelen, 2004; Harrison, 1998).

Our report shows that knowledge is especially lacking when it comes to how the recovery of criminal assets will work in practice. Insufficient knowledge cre-

ates uncertainty in the police force, prosecutors and other professions that detect and investigate crime. It is not only method support and guidelines that are missing, but also practical experience using the tools. There are few indicative cases.

A comparison can be made with the Netherlands, where special financial intelligence units have been formed for the recovery of criminal assets. An important part of their work is that of increasing knowledge about these issues among other police forces, and thereby creating a more positive attitude to the strategy (Nelen, 2004).

A similar solution is applied in UK, but it has been criticised for not being used in the best possible way. A survey carried out in 2004 shows that just 25 per cent of the specially trained investigators actually worked with financial mapping and investigations (HMIC, 2004).

On reflection, it can be seen that training, in itself, is not sufficient, there must also be organisational structures and well-developed methods so that the skills can be utilised in an effective way. One problem is that there is rarely a well-thought-out methodology for criminal assets recovery. Instead, abilities and methods are often developed ad hoc in connection with a specific investigation. When the investigation is concluded, the experiences are not documented, and, when the next investigation comes along, the wheel needs to be reinvented, as it were (van Duyne and Levi, 1999).

At the same time, the legal authorities do not suffer from a shortage of work. Most policemen and prosecutors have enough to do already, even without 'following the money'. Against that background, it is hardly surprising that few policemen and prosecutors in our report have the motivation to be a pioneer and experiment.

It also becomes clear from our report that comparatively few prosecutors have requested assistance from the Asset Recovery Office. Instead, many are waiting for clear guidelines on what they should do, as well as some kind of assurance that criminal assets recovery actually works. But if too many wait, there will never be any indicative cases or practical experiences to build on. It leads to something of a catch-22 situation. So how are we going to press forward?

'Build onward'

It is clear from the previous section that a great deal is done in the recovery of criminal assets. Organisational changes have taken place, training is carried out, operational efforts are increasing, a handbook has been produced, the legislation is being tested and new rules on extended confiscation have been adopted. Time is not standing still. If this development continues, the result should be that more and more will apply the methods for criminal assets recovery. Provided that the experiences are good and that they are given attention, criminal assets recovery will become ever more widely accepted. International experiences show that established routines are essential if the recovery of criminal assets is to make a proper impact (EBM, 2006; Harrison, 1998; HMIC, 2004; Nelen, 2004; van Duyne and Levi, 1999).

If one wants to speed up the development in Sweden, a possible route could be to allow some prosecutors – during what could be described as a run-in period – to be specifically assigned to, using sufficient resources, use the tools and methods in the operational work. They could receive support from the Asset Recovery Office and their network of experts at various authorities. That way, an experience base is created with practical examples. Good experiences should be able to break old patterns.

Additionally, there is a need to try and get more people to go through training for criminal assets recovery. The interviews indicate that there is a tendency, today, that the training programmes, in some way, cater for those who are 'al-

ready saved' – those who are already interested in the issue. Since it is lack of knowledge that causes many to take a cautious viewpoint, training should be one of the foremost means used for making a change. That conclusion is in-line with international assessments, which have identified lack of knowledge as a common obstacle for the effective recovery of criminal assets (cf. Council of Europe, 2004; HMIC, 2004; Nelen, 2004).

Having more economists working within the law enforcement agencies should also lead to criminal assets recovery becoming a more natural element in law enforcement. The same applies to collaboration with personnel at the Enforcement Authority and the Tax Agency, who think more about assets than the legal system does.

The earlier the better

At the same time as there being an awareness of the need for criminal assets recovery, traditionally, the highest priority for the law enforcement agencies is to put people on trial. Money and possessions come in second place. Work relating to criminal assets becomes, then, an aside to law enforcement, so it often follows that efforts relating to criminal assets are started after various elements of the preliminary investigation have been carried out. This, in turn, means that issues relating to criminal assets are usually detected late in the chain of investigation – often beginning with money being found. The interviewees believe that experiences show that the earlier the authorities begin to map out the economics and make raids, the greater the chances of success will be.

Therefore, it is important that criminal assets recovery begins as early as the intelligence gathering stage – otherwise there is a risk that the money and property has disappeared when the police and prosecutors start to think in terms of confiscation. The importance of work relating to criminal assets starting at the intelligence level has also been noted by international researchers (Bell, 2000).

The authorities' different time horizons

Research stresses the importance of well-functioning cooperation between the authorities (Aromaa, 2006; HMIC, 2004; Nelen, 2004; van Duyne and Levi, 1999). As made clear in the presentation of the results, the different time horizons that the authorities work with are viewed as an important obstacle to overcome. One way of dealing with the problem would be for the law enforcement agencies to partly imitate authorities such as the Tax Agency. In a similar way, the Tax Agency could benefit from being influenced by the law enforcement agencies. This would mean that the law enforcement agencies would create resources that can, in the long term, sustainably engage in mapping assets and other information within the framework of criminal assets recovery. Sweden's efforts relating to task forces can be seen as an answer to that need. The Tax Agency should, for its part, release resources in order to be better prepared for event-driven work.

The fact that the various authorities would draw organisationally closer to each other within the framework of criminal assets recovery can be supported in many ways. An example is that several interviewees would like to see resources earmarked for collaboration between the authorities for the recovery of criminal assets, as well as clearer guidelines that show how collaboration in criminal assets recovery is a high-priority task.

The fact that a well-functioning organisational structure is of great importance for criminal assets recovery is supported by international experiences. An evaluation of criminal assets recovery in UK (HMIC, 2004) shows that the authorities, despite powerful legislation, came across problems in getting criminal assets recovery integrated into day-to-day law enforcement work. The main reason was

seen to be unfavourable organisational structures (cf. Council of Europe, 2004; Harvey, 2004; Kennedy, 2007).

'Cash is king'

In the long run, the only acknowledgement for the successful recovery of criminal assets is that money and property can be confiscated. If there are no visible results, the work will loose its momentum, and it will be difficult to gain enthusiasm for the new way of working with money and property. It would be just as difficult to defend a drug enforcement agency that never confiscated any drugs. Even if we believe that the hopes of physically coming by a lot of money and property are exaggerated and that the primary purpose of criminal assets recovery is to increase the cost for criminals to withhold dirty money or proceeds of crime, it must also prove its effectiveness.

Looking at the Asset Recovery Office's first year, the amount of assets that they recovered formally has been unspectacular. But, of course, as a problem solver, the unit has given valuable advice that has led to confiscation and the demanding of corporate fines. The unit's mere existence, its training programmes and handbook, has also encouraged many policemen and prosecutors to work with more of a focus on criminal assets, which has also led to concrete results. But the fact remains that; ultimately the efforts and the Asset Recovery Office's assistance in the cases must result in confiscated money and property.

Criminal assets recovery is also a big step to take for the legal system, which needs time to find a place for this kind of activity. It could, therefore, be prudent to let the engine be properly run in, as it were, before the Asset Recovery Office makes any radical changes. The same should apply to the RUC in Västra Götaland.

If criminal assets recovery proves to be successful, the next issue to arise will be how the work will be organised. The work will need to be extended across the entire country, and not just for economic crimes, and, to a certain extent, organised crime that the Asset Recovery Office and the RUC concentrate on.

Depending on how successful Brottsutbytesenheten proves to be, there could be a need for an inter-agency department focused on criminal assets recovery that covers the whole of Sweden and embraces all kinds of crime that is motivated by profits.

'To go from the RUC to rock'

According to one interviewee, RUC Västra Götaland should 'go from the RUC to rock'. By that, he meant that the difficulty does not lie in the RUC developing high-quality intelligence reports, it lies in using them in the operational work – preliminary investigations are commenced, examinations are held, raids are carried out, property is confiscated, suspects are detained, prosecutions are started and criminals are punished – thereby making it more difficult for them to continue criminal activities. It is in the changeover phase from systematised intelligence data to law enforcement that it breaks down. Another problem is that the degree of collaboration between the authorities tends to reduce when the case progresses to an operational stage.

One possibility is to 'complete' the reform with the RUC and, to a greater degree than is the case today, allow the authorities to collaborate on the operational matters. This can be done, for example, by letting each case land in the hands of the aforementioned joint-authority task forces. Collaboration must not stop when a matter leaves the RUC.

In the end, it is all about resources. Through the action groups, law enforcement agencies have more resources at their disposal for working in a more long-term and sustainable way. For collaborating authorities, such as the Tax Agency

and the Enforcement Authority, there will be an increasing demand for being able to work in a more event-oriented way. Task forces are not enough – an increased focus on criminal assets recovery puts demands on prosecutors, tax auditors and bailiffs.

Governance and contents

Most people agree that criminal assets recovery is an important complement to the authorities' regular work. However, it is not completely clear who is holding the baton – the orchestra is a large one, but there is not always much in the way of music.

As a rule, when the police carry out a preliminary investigation, little interest is directed towards assets. Police officers, in general, are disinclined to photograph property that is not a part of the evidence against criminal activity. Police investigators ask questions about narcotics, but not about money or other property. The police are interested in thieves, but not the way that stolen goods are handled, and so that they enter the legal economy.

Economic crime prosecutors think that it is convenient to involve the Tax Agency, who can, in some cases, distrain assets instead of confiscating property or apply the rules for sequestration of property that is not encompassed by distraint. The recovery of criminal assets often comes to a halt when distraint is applied for unpaid taxes, even if there are still assets remaining.

Prosecutors, generally, are not able to receive help from the Tax Agency to the same extent as economic crime prosecutors can. Instead, they need to rely on sequestration and confiscation, instruments that are seen as blunt and complicated.

This dismal picture, however, is starting to brighten. The RUC in Västra Götaland has a focus on criminal assets; at the Economic Crime Authority, the Asset Recovery Office has been formed; slowly, but surely, the legal system is being trained for working with criminal assets and, at a political level, talks are starting on the importance of securing proceeds of crime.

Strong determination has started to cause inroads to be made into departments and organisations, but, in the future, an infrastructure will be needed if criminal assets recovery is to get a firm hold. That means that clear guidelines are needed from higher up regarding who should do what, which tools should be used, ensuring resources are made available and that results are followed up.

Statistics

The driving force for the police and prosecutors is to solve cases and see to it that people are put on trial. The crime is central, and little attention is paid to assets. Using this logic, the things that are of interest are criminal tools and forbidden goods or articles – things that can be directly linked to a crime, and therefore increase the culpability. Assets that have more to do with profits or proceeds of crime, are viewed as less important – or even a burden.

This somewhat sketched-out idea of the attitude that the police and prosecutors have, however, is beginning to be broken down. A more assets-orientated viewpoint is gaining ground within the authorities, and not least at management level. As mentioned above, it is not so easy to progress from good intentions to solid work. One problem is that there is nobody who measures or develops any operational statistics for criminal assets recovery. On the other hand, the legal system does have various requirements for reaching different goals for reducing the backlog of cases and keeping the case throughput times short. Whatever is not measured – and therefore not rewarded – is at risk of becoming of secondary importance.

It is therefore essential to build up operational statistics that measure the work of recovery of criminal assets. Only then will criminal assets recovery become an integral part of the criminal investigation.

'Do not touch the money'

People that get involved in economic and organised crime know the rules of the game. In an earlier study, where drug dealers were interviewed, it became clear that they expect to someday face punishment (Brå 2007:7) – it is included in the risk assessment as one of the dangers of the 'trade'. What they do not count on is losing their savings capital and pension, let alone property – in the form of cars and boats. There can also be dependants that rely on the 'dirty' or criminal money for their livelihood, or for that little extra in life.

Studies also show that a great deal of criminals are extremely careful in how they keep their money. The same can also be said of those involved in economic crimes. That is also why the police make few seizures of substantial sums of drug money. Investment abroad and in tax havens also puts obstacles in the way. Completely different security strategies are applied in relation to withholding money and when the actual crime is perpetrated.

Consequently, money is a sensitive subject. Some interviewees have also reflected on what could happen if the authorities become over intrusive – they mean that the recovery of criminal assets could increase the level of threat that the officers are exposed to, as well as unlawful influence in the form of harassment, threats, violence, vandalism and corruption (Brå 2005:18). Unlawful influence affects individual officers as well as the ability of the authorities to function properly.

There is also a risk of self-censorship. By avoiding being exposed to unlawful influence, officers could be made passive and refrain from pulling certain strings and taking various actions. In a study about unlawful influence against witnesses and victims of crime, it appears that self-censorship is an underestimated problem and can actually be more common than persons being expressly subjected to influences (Brå 2008:8). The difference, however, is that officials have the assignment of exercising public authority, have the support of the workplace and, therefore, should be significantly more resistant than individual witnesses and injured parties.

That being said, it is important that the authorities preserve that resistance by seriously considering the risk for an increased exposure to unlawful influence due to criminal assets recovery. It has a lot to do with mental processes, which prepare personnel to talk about the problem. In addition to this, the authorities need to review routines – for example, by involving more people in the handling of the case, thereby reducing personal exposure (Brå 2005:18). It is also important to support those that are affected when situations of unlawful influence arise.

Experiencing increasing unlawful influence due to criminal assets recovery is obviously unpleasant. At the same time, it would prove that criminal assets recovery has advanced and hit a soft spot.

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