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Analysis of the Social Network Models of Transnational Criminal Networks operating in the Southeastern Border of the European Union

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Disclaimer

The facts and the analysis presented herein are sustained in documents and interviews exposed in mass media and judicial records related to the criminals networks analyzed. No primary information uncovering facts has been gathered, which means that only secondary sources were consulted, from legal to media documents.

In the case of the names mentioned, quoted or referenced on indictments —with the exception of those specifically mentioned, quoted or referenced in the text as definitively condemned-, the presumption of innocence, in observance of individual rights is always preserved. The judicial truth is the jurisdiction of the courts, which by law will decide whether the defendants are innocent or guilty.[1]

It is stated that *belonging to*, *participating in*, *being connected to*, or *appearing on* a network, as analyzed herein, does not imply having committed a criminal act or being engaged in a criminal enterprise. It is always possible to *belong*, *participate*, *be connected*, or *appear* on a network as an agent promoting interests that are socially and institutionally beneficial, or as a result of coercion, among other reasons unrelated to criminal acts committed by the agent.

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[1] Based on: Francesco Forgione. *Mafia Export. Cómo la Ndrangheta, la Cosa Nostra y la Camorra han colonizado el mundo.* Anagrama. Crónicas. Barcelona, 2010, pgs.11-12.

ABSTRACT

This paper examines the transnational criminal networks (TCN) operating in the Southeastern border of the European Union (SBEU). More specifically, the analysis focuses on TCN operating on the territory of the Republic of Bulgaria, which became the external border of the European Union after the country's accession to the EU in 2007. The primary data used for the analysis is based on court rulings from four criminal trial cases in Bulgaria. The indictments for each of the four cases were also studied, in order to provide more details about the criminal activities of the TCN.

The first part of the analysis provides general information about Bulgaria and the specific context in which the TCN operate. In this part, we also discuss the geographic location of the country and the international transportation channels running through its territory. The analysis touches on the socioeconomic situation and the overall development of criminality and corruption in Bulgaria. The second part of the text discusses transnational criminality in Bulgaria, with a brief overview of the history of transnational crime, typical forms of crime, and a typology of transnational criminality. Part three presents a network analysis of four cases[2] of TCN operating in the SBEU, based on the court rulings in each of the four cases. The final part of this article draws some important conclusions and makes recommendations for further

[2] Project team members and contributors: the primary data analsys for this paper was conducted by Georgi Petrunov (cases 1-3); translated by Snezhina Atanassova; case 4 was prepared by Nikolay Yanev and was translated by Alexander Velev. Analysis of the information in Vortex 2.0: Eduardo Salcedo-Albaran. This paper was written by Georgi Petrunov and translated by Snezhina Atanassova.

reforms needed to tackle the transnational criminal networks operating in the SBEU.

1. GENERAL INFORMATION ABOUT BULGARIA

1.1. Geographic location

Bulgaria is a small post-socialist country, located on the Balkan Peninsula, with an area of 110,994 sq.km. and a population of 7,364,570 (according to the 2011 census). The country is at the crossroads between Europe, Asia, and Africa. It borders with Turkey, Greece, and Macedonia to the south, Serbia to the west, with Romania to the north along the Danube River, and the Black Sea to the east. Five of the ten pan-European transport corridors, which have significant geo-economic role for Central and Eastern Europe, run through the territory of Bulgaria. These are corridors IV, VII, VIII, IX and X[3]. The European transport corridor (ETC) IV connects the Central European countries with the Aegean Sea (with the sea port in Thessaloniki). The Bulgarian section of the corridor (connecting the cities of Vidin and Sofia, via the border checkpoint Kulata), is 446 km long. ETC VII is a river route, along the rivers Rhine, Main, and the Danube, connecting the Western European countries through which the rivers run with the Black Sea Region countries. ETC VIII connects the Adriatic Sea and the countries in the Black Sea Region, Russia, and the Central Asia Countries; the corridor runs through Albania, Macedonia, and Bulgaria. The Bulgarian section of ETC VII is 639 km long, starting at border checkpoint Gyueshevo and connecting the Bulgarian cities of Pernik-Sofia-Burgas-Varna. ETC IX runs through Romania and Bulgaria and connects the Northern

[3] Association of the Bulgarian Businesses for International Shipping and Cargo Travel [Assotsiatsia na balgarskite predpriyatia za mezhdunarodni prevosi i patishtata] http://www.aebtri.com/Default.aspx?Layout=Layouts/AEBTRIinside&Page=PageAA

European countries with the Aegean Sea port in Alexandrupolis. The Bulgarian section of corridor IX is 460 km long, with the route transiting through the cities of Russe – Veliko Tarnovo – Gabrovo – Stara Zagora – Dimitrovgrad – Kardjali.

The European Transport Corridor X was established to help overcome the isolation of former Yugoslavia and to aid the peace building efforts in the region. The corridor starts in Austria with detours in the territory of Germany and Hungary, transiting through Slovenia, Croatia, Serbia, Macedonia and Bulgaria. Through the border checkpoint Kapitan Andreevo in Bulgaria the route continues to Turkey and Greece. The Bulgarian section of the corridor X is 356 km long. Checkpoint Kapitan Andreevo is part of the external southeastern border of the EU and also the largest land border checkpoint in Europe. The checkpoint lies on the historically important "silk route" which connects Asia and Europe and is still in use today.

Bulgaria has a strategic geographic location with respect to the movement of people and goods between Europe and Asia, which makes it also an attractive territory for TCN. Following its accession to the EU in 2007, Bulgaria – now an external border to the Union – was obligated to beef up the security levels at the border checkpoints and to introduce various border control mechanisms in compliance with the European security requirements. Regardless of the efforts and measures taken so far by the current and previous governments, Bulgaria's accession into the Schengen Area[4] of passport-free travel has been delayed as several Member States consider the country a high risk with respect to organized crime and institutional corruption.

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[4] Agreement of the EU countries for the removal of the internal borders between the Member States and shared border control at the external border check points.

1.2. Social and Economic Environment

Bulgaria's socialist past continues to determine the country's present development. The communist legacy of the last 45 years is a significant factor considering the fact that the country was ruled by the communist party and was part of the former Soviet Block. The transition, which started in 1989, from a totalitarian to a democratic government and from a centralized, state-run to a market economy, has had a fundamental impact on the Bulgarian society. The transition led to economic liberalization, free trade, deregulation and privatization of the state-owned enterprises, decreasing the role of the state and increasing the role of the private sector. Each segment of society underwent radical changes, whose goal was to attain prosperity and more economic possibilities. However, 24 years after the collapse of communism Bulgaria still ranks lowest in the EU in terms of economic performance, poverty and inequality but it tops the lists for corruption and organized crime.

Today's Bulgarian society – which is by no means an exception in the global scene – is deeply polarized and ridden by economic inequality, with weak institutions controlled by the oligarchy or by explicitly criminal structures. The economic resources and the key power mechanisms are in the hands of the representatives/offspring of the former communist party elite and associated criminal elements, which successfully branded themselves as the new corporate elite of Bulgaria.

Bulgaria is the poorest country in the European Union, with the lowest income per capita and monthly wages. It is also one of the countries with the highest levels of income inequality and the risk of poverty among the EU

Member States[5]. According to data from Eurostat,[6] Bulgaria is the country with the lowest GDP per capita: measured in purchasing power, it is only 45 per cent of the EU average. The minimum monthly salary for 2013 was approximately €150.[7] The average monthly income per person per household was approximately €200 with a poverty line of approximately €100.[8] Further statistics show that 19.5 percent of the households lived below the poverty line. A growing number of people join the so-called "working poor," as employment does not guarantee overcoming poverty. According to an analysis of the Institute for Social and Trade Union Studies of the Confederation of Independent Trade Unions in Bulgaria (CITUB),[9] 684,000 people or 33 per cent of the workforce in the country are classified as "working poor": they are employed in sectors in which the wages are below 75 per cent of the average wage for the country. Wages are low even in sectors with some economic growth. On the one hand, this circumstance demoralizes the individuals and consequently, the quality of labor production drops (the labor productivity drops, too). On the other hand, it demotivates the unemployed to look for jobs – they prefer to stay on welfare and work in the grey economy, rather than take an official job with wages that are not sufficient to provide basic necessities for themselves and their families.

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[5] Zhelyazkova, M. *Inequality and Policies*. 2011. Troyan. [Zhelyazkova, M. (2011). *Neravenstva I politiki*. Troyan].

[6] Eurostat. (2013). *GDP per capita in the Member States Ranged from 45% to 274% of the EU27 average in 2012*. Available at: http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/2-19062013-BP/EN/2-19062013-BP-EN.PDF

[7] The highest minimum monthly salary in the EU has Luxemburg, approximately 1870 euro.

[8] Open Society Institute Sofia. (2012). *Public Opinion and Social Attitudes in Bulgaria, May 2012*. Sofia. Available at: www.opendata.bg.

[9] Institute for Social and Trade Union Studies of the Confederation of Independent Trade Unions in Bulgaria. (2005). *The Cost of Life for the Fourth Quarter of 2005, Sofia*.

Unemployment is another critical problem in Bulgaria. The unemployment rate for the first quarter of 2013 is 13.8 per cent, which marks an 0.9 per cent increase from the same period in 2012. Long-term unemployment (people who are unemployed for one year or longer) is also at critically high levels, comprising 55% of all unemployed. In addition, Bulgaria has a staggering rate of youth unemployment.[10] A study conducted by Eurofound (2012) found that one-quarter of Bulgarians between 15 and 29 years were neither employed nor in school.[11] Surrounded by images of success and an incessant drive for more consumption and material possessions, the young people are easily lured by the promises of easy money, gained from crime. In this context many young people prefer to leave Bulgaria in search of a better life abroad. According to official statistics, over half a million Bulgarian citizens have left the country in the last ten years[12], and over 1.5 million have left the country since 1985. Considering the total population of the country these numbers are staggering. The large number of Bulgarian emigrants is one of the factors that drive young people to join criminal groups and TCN.

The low income is coupled with the low education and lack of professional qualification for many of the young. Recent scores from international tests such as PISA show that the Bulgarian high-school graduates lack professional skills. Many experts claim[13] that the Bulgarian school

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[10] National Statistical Institute (2013). *Unemployment and Youth Unemployment Data;* http://www.nsi.bg/

[11] Eurofund. (2012). *Youth Unemployment in Europe*. Dublin. Available at: www.eurofound.europa.eu.

[12] Hugh, E. (2013). *The Shortage of Bulgarians Inside Bulgaria*. Available at: http://fistfulofeuros.net/afoe/the-shortgage-of-bulgarians-inside-bulgaria/

[13] Center for Control and Quality Assessment of School Education. (2011). *Thematic Analysis of the Reading Test Scores of Bulgarian Pupils in the PISA 2009 Test*. Sofia.

curricula do not contribute to developing critical and problem-solving skills in the students; schools do not provide the students with the information and training needed to survive in an increasingly competitive economic and social environment. The economic crisis has made the situation worse for the Bulgarian schools; the continuing budget cuts have made it very difficult to maintain many of the school facilities around the country. As a result, a lot of schools in remote, sparsely populated areas were closed in recent years. In addition, each year almost three per cent of the school-age children drop out of school. There are many reasons for this, but experts regard the poor quality of life and the low income as the most important. Especially vulnerable are Roma communities (meaning Romani population) around the country. An Amnesty International Report finds that "Between 65 and 70 per cent of Bulgaria's Roma population are unemployed [...]. Some 18 per cent of Roma are illiterate and another 65 per cent have never completed high school." UNICEF reported that almost half of Romani homes are not connected to running water and that twenty per cent of Romani children have never been to school.[14]

The difficult socioeconomic conditions in Bulgaria, coupled with a widespread poverty and unemployment make specific groups of society particularly vulnerable to criminal networks. This facilitates the TCN operating in the SBEU in the recruitment of victims and perpetrators of criminal activities; lured by the promise of money, many individuals take the risk to commit a crime.

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[14] Amnesty International. (2008). *The State of the World`s Human Rights*. London: International Secretariat, p.78. Available at: www.amnesty.org

1.3. Crime and Corruption

Following the fall of communism, there is an outburst of criminal activity in the country. As Stankov[15] points out, after 1989 crime and criminal activities become part and parcel of everyday life, taking over the social structures and operating under the façade of legal economic enterprises. The first half of the 1990s is marked by an institutional chaos and total lack of government control over the situation in the country; this is a time of shady privatization deals and denationalization of state-owned resources which went straight into the hands of people linked with the former communist elite. The institutional chaos is a fertile ground for the emerging large oligarchic structures and violent crime groups. Unlike the latter, the oligarchic structures amass their wealth not through violence and crime, but through their tight connections with the people in power. Bribing high-level government officials, the representatives of the economic groupings manage to take over the state resources, transforming them into their private property. The oligarchy is one of the main, and very successful, actors in the privatization process. In the words of the current president of Bulgaria, Rossen Plevneliev, the process of privatization in the country was the "worst in Europe […], assets worth 30 billion euro were sold for only 3 billion. We still suffer the consequences of this process today [...]" [16].

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[15] Stankov, B. (2012). Organized Crime – problems, prevention, and control. In *Organized Crime – Problems, Prevention, and Control*. Council for Criminological Studies at the Prosecutor General's Office in Bulgaria [Stankov, B. (1992). Organisiranata prestapnost – problemi, prevencia i kontrol. V: Organisiranata prestapnost – *problemi, prevencia i kontrol*. Sofia: Savet za kriminologicheski izsledvania pri Glavnata prokuratura na Republika Bulgaria]

[16] Plevneliev: The Worst Privatization in Europe Took Place in Bulgaria. (2012). *SEGA Newspaper*. Issue 214/17 September. [Plevneliev: Bulgaria izvarshi nai-loshata privatizacia v Evropa. (2012). v.Sega. br.214/17 Septemvri.

In the first half of the 1990s, violent crime groups consist primarily of former combative sports athletes (e.g., boxing, wrestling), former officers of the state security services, and criminals. In the first years following the fall of communism, these groups monopolized the security sector and use it to racketeer the newly established private businesses, masking their criminal actvity as "business protection." Initially, many security firms served as front offices for the racketeering; later on they were transformed into insurance companies. In addition to racketeering, the criminal groups also seeked to take control over key segments of the black market, such as car jacking, prostitution, human trafficking, etc. By the mid-90s, some of the criminal groups have risen to the top in the criminal world, disposing over large financial and power resources; they monopolized the criminal markets and took over the smaller crime groups. With the time, the larger groups began to splinter, and new rival groups emerged; for example, the new SIK 'insurance' group was an offshoot of the VIS group. These two groups form alternative camps around which many other criminal and economic groups began to gravitate. At a later point, these two chief criminal groups break up into smaller independent criminal actors.

In the second half of the 1990s of the twentieth century and the beginning of the twenty-first, Bulgaria was the stage of many turf wars and contract killings targeting various business owners and criminal bosses. The survivors of the wars entered the legal economy as legitimate businessmen. However, most of them also retained their positions in the criminal markets, while other new players emerged. In the past few years, the main criminal markets for organized crime in Bulgaria are VAT fraud, smuggling of goods and excise contraband, sexual exploitation and prostitution, drug trafficking, production of synthetic drugs, counterfeit currency, fraud, etc.

An important enabling factor for the development of organized crime in Bulgaria, even today, is the widespread corruption. Corruption makes possible the infiltration of public institutions and the business by the criminal structures. The Chairman of the National Security Committee of the 36th National Assembly of Bulgaria declared that "organized crime has reached the highest levels of power and has its secret lobbies in the police, in the judiciary, in the Parliament, and in the government, but nobody even cares to fight this process." [17] Research studies refer to a process of "privatization of crossborder transactions by bribing state officials in the Customs Agency, the border police and other regulatory and law-enforcement bodies." [18] Yet, no top level officials have been found guilty in corruption cases. Usually, lower level public officers become the scapegoats.

Many of the state institutions are captured and/or coopted by organized crime. In some cases, former crime bosses are appointed in key public positions. This helps them to 'launder' their criminal biography and gives them access to public resources to eliminate rivals and to gain control over new criminal markets. The symbiosis of criminal groups and public power led to the introduction of specific legislation serving the interests of criminal groups. A glaring example of this type of criminal cooperation is the amendment to the Criminal Code of the Republic of Bulgaria, known as *Vanko 1*. In 2006, several members of parliament introduced an amendment, seeking to reduce the maximum sentencing for the crime solicitation for prostitution. Thanks to this

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[17] Boyadjieva, Y. (1996). Criminality in the Public Sector in the Transition to Market Economy. Sofia: Polygraphic base of the Ministry of Interior, p. 67. [Boyadjieva, Y. (1996). *Prestapnostta v darjavnia sector pri prehoda kam pazarna ikonomika.*Sofia: Polygraphiceska baza kam Ministerstvo na vatreshnite raboti, s. 67].

[18] Center for the Study of Democracy. (2003). *Corruption, Contraband and Organized Crime in Southeast Europe*. Sofia: CSD, p.5.

amendment, an infamous rapper by the name of Vanko 1, convicted for solicitation for prostitution and serving a 12-year sentence, was released from prison after only three years.

When corruption takes over the highest levels of power in society, all of the public institutions are at risk of being captured or coopted, including the judicial system, law enforcement, the healthcare and education, all the way down to the officer who is in charge of handling the paperwork in the administration. This is largely confirmed by the Corruption Perceptions Index of Transparency International[19], which measures the level of corruption in public institutions in 176 countries. According to the 2012 report, Bulgaria ranks second in the list for most corrupt countries in the EU (with Greece in the top spot). The corruption levels in Bulgaria were higher in 2001-2007, and dropped slightly afterwards.

The high levels of crime and corruption in Bulgaria create a fertile ground for the development and operations of transnational criminal networks. The EC Monitoring reports on Bulgaria[20] point out that the fight against organized crime has not been effective, as corruption continues to flourish and the reforms in the judiciary are stalled.

2. BULGARIAN TRANSNATIONAL CRIME

The evolution of the transnational contraband channels in Bulgaria can be traced back to the 1970s and 1980s of the twentieth century. During the

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[19] Transparency International Bulgaria. (2012). *Corruption Perceptions Index 2012*. [Transparency International Bulgaria (2012). *Index za vazpriatie na korupciata 2012*]. Available at: http://www.transparency.bg/media/cms_page_media/143/CPI%202012_BG_ppt.pdf

[20] European Commission. (2012). *Report of the EU on Bulgaria's Progress within the Mechanism for Cooperation and Monitoring*. Brussel. Available at: http://ec.europa.eu/cvm/docs/com_2012_411_bg.pdf

communist times, Bulgaria's international contacts were limited to the countries of the former Soviet Block. On the other hand, the state leadership needed access to foreign currency. The solution was to create Bulgarian companies/ firms, which were controlled by the state but operated abroad and conducted foreign trade activities with the Western European countries. In some cases, major deals took place using contraband channels. For example, during the war in the Near East, the export of *captagon* turned out a very profitable business: captagon is a psychotropic substance and a strong stimulant, very similar to the modern synthetic drugs. Special contraband channels were created to export the drug. As some researchers claim, "these operations must have been known to and were even run by high-level officials." [21]

Captagon was produced in several pharmaceutical companies in the country, while the Bulgarian foreign trade companies were in charge of its distribution. The drug's destination was the Near East and Africa, through underground transit channels, managed by the Bulgarian secret services. Similar channels existed and were used for smuggling weapons. Following the collapse of communism, the operational networks and contacts remained in the hands of the individuals who knew the channels and the markets, but were now using them for their own private benefit. In other words, with the fall of communism emerged the opportunities to establish powerful TCN. In the new circumstances, the TCN were not controlled by the communist state and were free to use the contraband channels to traffic whatever they could: drugs, weapons, stolen vehicles, cigarettes, etc. One of the key activities for the TCN is the transit of heroin through Bulgaria to the heroin markets in Western Europe.

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[21] Haydinyak, M. (2002). *Contraband Channels in South East Europe*. Sofia: CSD, p. 23. [Haydinyak, M. (2002). *Kontrabandnite kanali v Ygoiztochna Evropa*. Sofia: CID, s. 23].

The communist contraband channels were not limited to Africa and Asia; they included Latin American countries for weapons trafficking; in fact, the same channels were used to establish TCN with Latin American crime groups. One recent example for a TCN with the participation of Bulgarian and Latin American crime groups is the case of a former wrestler, named Evelin Banev, aka Brendo, who was tried and convicted in Italy in 2013 for cocaine trafficking from Latin America. He was sentenced to 20 years imprisonment. Brendo is considered one of the world leaders of transnational crime, like another infamous Bulgarian crime boss, Ivan Todorov, aka Doctora, who was killed in 2006 in Bulgaria.

The European Union Organized Crime Threat Assessment[22] report points out that in recent years many new cocaine trafficking routes have been established, using Black Sea ports, including the port at the Bulgarian city of Varna. Cocaine is trafficked in a number of ways: (i) in containers carried by cargo ships, (ii) cocaine mixed with purée, (iii) cocaine diluted in wine, (iv) clothing starched in a cocaine solution, (v) filling in pipes and cavities in machinery with cocaine, (vi) molding cocaine in various shapes, (vii) hiding it in heavy duty agricultural machinery, among others. After it is trafficked to Bulgaria, the cocaine is transported to markets in Western Europe. This is how TCN which are specialized in trafficking heroin are becoming key players in the cocaine business as well, using the well-established contraband channels of the past. In addition, traffickers also use a barter system in which heroin is exchanged for cocaine in Turkey and countries in the Near East. The former Bulgarian Minister of Interior, Tzvetan Tzvetanov, has made many allegations, claiming that the big contraband bosses who currently control the contraband

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[22] Europol. (2011). *OCTA 2011. EU Organised Crime Threat Assessmen*t. Available at: https://www.europol.europa.eu/sites/default/files/publications/octa2011.pdf

channels established during communism, could not have done it without the support and protection from almost every single government since the fall of the regime.

There are also single players on this market, though they operate on a much smaller scale. In the early 1990s, the main method for importing goods from Turkey was the co-called "suitcase trade." Suitcase traders travel to the foreign countries, using public transport or their own vehicles, and purchasing goods that they can easily import to Bulgaria. After they sell the goods, they go back to buy more. Along with smuggling goods, many people become part of heroin trafficking networks, serving most of the time as mules to transport the drugs to Western Europe.

One of the key factors that have contributed to the emergence of the Bulgarian transnational crime are the UN export restrictions to the countries in former Yugoslavia, the so-called Yugo embargo in 1992-1995. According to researchers, the Yugo embargo literally led to an outbreak of new mafia-type structures and organized crime in the country.[23] During the embargo period, large-scale contraband channels, highly profitable, are used for smuggling petrol, weapons and other goods, banned for import to Yugoslavia. This period was appropriate for new TCN involving crime groups from Bulgaria and the other Balkan countries, i.e. Serbia, Albania, Kosovo, and Montenegro. The Balkan TCNs continue to run their business long after the Yugo embargo was lifted. One of the cases described below deals with a Balkan TCN.

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[23] Prodanov, V. and B. Panev. (1996). The Outbreak of Criminality in Bulgaria. In: Prodanov, V., M. Misov, and H. Mudrov (eds.). (1996). *The Criminality Boom in Bulgaria*. Sofia: Humanity, p. 54. [Prodanov, V. and B. Panev. (1996). Vzriv na prestapnostta v Bulgaria. V: Prodanov, V., M. Mizov i H. Mudrov (red.) *Bumat na prestapnostta v Bulgaria*. Sofia: Chovestina, s. 54].

Thus, in the mid-90s the suitcase trade was replaced by well-organized contraband channels, run by the violent crime groups and oligarchic structures that dominated the market during the Yugo embargo. They have continually received full support of corrupt state officials, including at the highest political levels. In addition to smuggling goods from Turkey, China, and Dubai, these criminal groups take hold of the transnational drug trafficking routes, in particular the heroin routes, which run through Bulgaria to Western Europe.

The Bulgarian TCNs have very good contacts with the Arab world and Turkish nationals, which control the heroin trade. In some cases, the Bulgarian TCNs receive heroin in exchange for stolen cars or synthetic drugs, mainly amphetamines produced in Bulgaria. Because of the small domestic market in Bulgaria and the high dilution of the proposed drugs, only a small fraction of the trafficked drugs remains in Bulgaria; the main part is trafficked to Western Europe. This is why the Bulgarian TCNs are mostly in charge of the transit routes for the drugs, in particular, heroin, using the so-called "silk route" which connects the Near East with Western Europe. Heroin is usually transported by land, smuggled from Afghanistan, Iran, and Turkey, hidden in secret compartments in cars or trucks, or smuggled by mules to Bulgaria. To avoid the risk of getting caught, the higher-level members of the TCNs recruit people as mules to smuggle the heroin to Bulgaria. The mules usually do not have contact with the members of the TCNs and only know the person who has recruited them. One such example is described below: Once the heroin enters Bulgaria – the territory of the EU – it is reloaded on trucks and cars, registered in EU countries, and leaves for the destination cities in Western Europe.

Following Bulgaria's accession to the EU in 2007 and the lifting of the visa restrictions for Bulgarian citizens to travel in the EU (six years earlier - in

2001), takes place another major development in Bulgarian transnational crime, i.e. the export of crime from Bulgaria. The country's accession to the EU creates new opportunities for the criminal groups which successfully extend their operations to the big criminal markets in Western Europe. This period of expansion coincides with the period of further splintering of the large violent crime groups in the country; many criminals who were low in the hierarchy and newly emerging crime groups take their operations abroad. It is important to note that members of the violent crime groups have had the opportunity to travel to Central Europe even before the lifting of the visa restrictions; in that period, they were mainly engaged in car theft and trafficking of prostitutes. However, the large-scale export of crime from Bulgaria receives a huge boost with the country's entry to the EU. Essentially, this is as process whereby crime generated in the SBEU is exported to the other member states, which threatens the security of the entire Union. The main crimes exported from Bulgaria are related to human trafficking, credit card skimming, counterfeit currency, and car theft. In recent years, the most prevalent crimes are human trafficking and skimming; further details are provided below.

Europol[24] identifies Bulgaria as one of the six main source countries of victims who are trafficked within the EU. Bulgaria ranks high also on the list of countries with the most traffickers. In a report, Europol[25] points out that the Bulgarian crime groups are probably the most threatening to society as a whole. Enabling factors for the expansion of human trafficking are the poor social and economic conditions and the low income of large social groups. The lack of

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[24] Europol. (2008). *Trafficking in Human Beings in the European Union: A Europol Perspective.* Available at: https://www.europol.eurpoa.eu.

[25] Europol. (2011). *Trafficking in human beings in the European Union*. The Hague. Available at: https://www.europol.eurpoa.eu.

opportunities for better paying jobs at home makes people more vulnerable to the traffickers. The victims of trafficking are lured by the promises of money and good jobs abroad, and that's how they become an easy prey for the trafficking networks.

In addition to human trafficking, another large-scale criminal activity controlled by Bulgarian TCN is the so-called "skimming". The criminals engaged in skimming are very mobile and operate not only in Europe but also in the USA and Russia. Skimming usually happens in two ways. In the first, a special device called skimmer, which is used to read data from the credit or debit card, is installed in the ATM (automated teller machine). A micro camera is also installed which records the customer's PIN. Afterwards, the criminals produce the so-called white plastics, which contain the information from the real debit/credit cards, and use them to withdraw money from the bank accounts of the victims. Another, more expensive way to steal money, is buying personal data and bank account numbers from various hackers' sites.

As described, the Bulgarian transnational crime posits a double threat for the EU. On the one hand, as the Southeastern border of the Union, Bulgaria is responsible for dismantling the trafficking channels established along the so-called silk route from Asia to Europe, which have been in operation for decades. On the other hand, a further threat to the EU is the criminal activity generated in the very region of the Southeastern border of the EU.

3. CASES OF TRANSNATIONAL CRIMINAL NETWORKS OPERATING IN THE SOUTHEASTERN BORDER OF THE EUROPEAN UNION

This part of the document presents the results of the network analysis of four cases of TCN operating in the SBEU. Two of the cases deal with drug trafficking from Bulgaria to Western Europe; the other two are cases of the export of crime from Bulgaria and deal with human trafficking and credit card fraud. The analysis draws upon information from the court dossiers of each of the four cases.

3.1. TWO CASES OF CRIME TRANSITING THROUGH BULGARIA

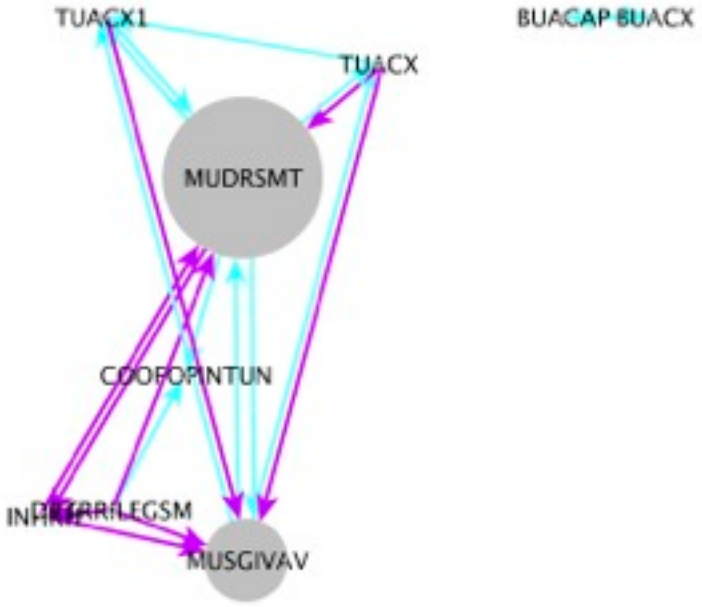
3.1.1. Drug transport through Bulgaria

The first TCN is relatively small in size but very active in the transport of drugs through Bulgaria to Western European countries. The group of three perpetrators transported over 48 kilograms of heroin from Turkey through the border checkpoint Kapitan Andreevo. Two of the group members were charged as instigators of the crime, and the third as the perpetrator. The drug suppliers have not been identified, so the part of the TCN operating on Turkish territory remains unknown. The court documents confirm that the group was aided by a customs officer at the checkpoint Kapitan Andreevo. However, the investigation failed to identify this officer and no charges were brought against him/her. The indictment and the trial focused on the transportation of the drugs, and the mules were the only perpetrators who were convicted. The core of the group was one of the mules, the person who was in charge of transporting the heroin from Turkey.

The Hub: The agent in the center of the group with the highest level of direct individual centrality is MUDRSMT. He concentrates 23.8% of the total social relationships established in the network. This person agrees to travel to

Turkey, where he leaves his car at a previously agreed place and returns back to Bulgaria with the car loaded with the drugs. He is in contact with many of the defendants, which explains his central position in the network relations. The network itself is rather small, which allows identifying the characteristics of each of its members. This will clarify each of their roles in the drug trafficking ring.

Graph 1.1. Size of the node illustrates the direct centrality indicator (amount of interactions of each node).



Core node 1/ *hub*: MUDRSMT, code used to identify the mule (driver). His direct centrality indicator is 23.8%. This person made the trips to Turkey and back to Bulgaria. MUDRSMT claims that he followed the instructions of INHKH (core node 6). He makes one trip but the second time he is caught by

the police; in a secret compartment of the car the police discovered 98 packages with 48,203 kilo of heroin, with a purity level of 55.2%-64.2%, valued at 5,598,410 Bulgarian leva (approximately 2.8 million euro). For his first trip, MUDRSMT was paid only 340 euro but was promised 2000 euro for the second trip and agreed to stay in the TCN. He struck a plea agreement and received a 7-year strict prison regime sentence and had to pay a fine in the amount of 100 000 leva (approximately 50 000 euro).

Core node 2: MUSGIVAV, code used to identify the girlfriend of MUDRSMT (core node 1). She has a direct centrality indicator of 19%, placing her second in direct network connections. She traveled with him to Turkey; according to the instructions of INHKH, he had to be accompanied by a woman. She was a witness in the trial.

Core node 3: Two agents - TUACX1 and Core node 4 – TUACX, have the same direct centrality indicator: of 11.9%. They are members of the Turkish TCN, who have not been identified by the investigation. TUACX1 and TUACX were supposed to wait for the driver in Silivry (Istanbul region), Turkey; take him to downtown Istanbul, and leave him there to walk around with his girlfriend, while they drove the car to an unknown place. They returned the car in two hours, with the heroin hidden in it.

Core node 5: DRTRRILEGSM, code used to identify the drug trafficking ring leader. He has a direct centrality indicator of 9.5%. The indictment identifies him as the mastermind behind the criminal network. He kept the car in Bulgaria; he decided when the trips should be made, when to cross the border control/checkpoint, where and to whom to take the car in Turkey, and where to leave it afterwards in Sofia. He was sentenced to seven years imprisonment,

serving time in a strict prison regime for the initial period of the sentence, and had to pay a fine in the amount of 100 000 leva (approximately 50 000 euro).

Core node 6: INHKH, code used to identify an accomplice to the mastermind and an intermediary between him and the mule. This person's direct centrality indicator is the same as that of DRTRRILEGSM, 9.5%. He gave the exact instructions about where, with whom and when to make the trip to Turkey. For his involvement in the drug trafficking scheme, he received 200 leva (approximately 100 euro) a week from DRTRRILEGSM, and was paid 500 euro after the first successful trip. He was sentenced to seven years imprisonment, serving time in a strict prison regime for the initial period of the sentence, and had to pay a fine in the amount of 100 000 leva (approximately 50 000 euro).

Core node 7: Three of the agents have the same direct centrality indicator, 4.8%: these are agents Core node 7 – COOFOPINTUN, Core node 8 – BUACX, and Core node 9 - BUACAP.

COOFOPINTUN, code used to identify the agent "Niki". This person remains unidentified. Presumably this person was in charge of the smooth running of the operation in Turkey. The driver had no direct contact with him, but had his phone number in case of emergency.

BUACAP, code used to identify the Bulgarian accessory. He received instructions to get the car from a parking lot in Sofia, but was caught by the police. He testified in the trial.

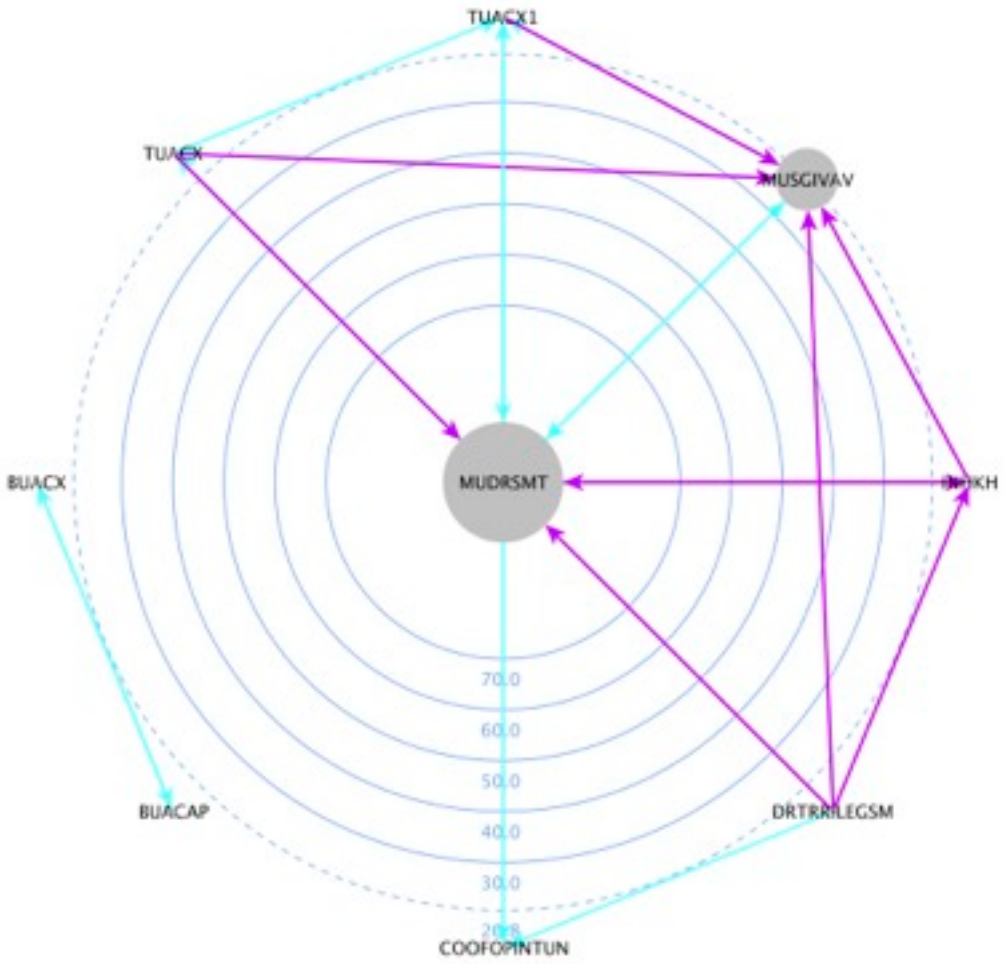
BUACX, code refers to an unidentified Bulgarian accessory, who was supposed to help BUACAP to get the car from a parking lot in Sofia; he managed to escape the police when they arrested BUACAP.

The high direct centrality indicator of Core node 1 depends not on the position of the agent in the network, but on the specific information uncovered during the investigation of the drug trafficking. The transportation of the drugs is only one of the elements of the drug trafficking operation. The identification of the so-called mules and the seizure of the shipment spoiled the deal but did not expose the entire ring, as exemplified in this case. Situations such as this one, in which the judicial information focus on the lower levels of the criminal network, have implications on the way in which prosecutions are conducted and, in general, in the design and implementation of public security policies.

The Structural Bridge

Looking at the network structure and the flow of information within the network as shown in Fig. 1.2, it can be observed that MUDRSMT is not only a *hub*, but is also found to have the largest indicator of *betweenness*, 79.2%. The remaining 20.8 per cent are concentrated in core node 2: MUSGIVAV, while the other agents show a zero score for this indicator. In other words, the two agents "get into" all geodesic routes chartered in the network. Their role as structural bridges is to connect the Bulgarian organizers and the Turkish drug dealers.

Graph 1.2: Uniform radial distribution. Size illustrates the betweenness indicator (capacity for intervening in the routes of information).



Social Relations

Financial Relations and Internal Management of the Group

This category applies to almost all of the relationship types in the drug trafficking network, as the financial interests are the main motives that keep the group together. From the very beginning, the group leader DRTRRILEGSM informs INHKH of his intentions, and the latter agrees to join the group voluntarily in exchange for money. The car driver also agrees to participate lured by the promised payment of 2000 euro.

Violence and Corruption

There are no indications of force, coercion or corruption applied in the articulation of this network.

Family/Intimate relations

This category applies only to the relations between the driver and his travel companion on the trip to Turkey. The relationships have no significant influence on the network operations.

Conclusions: Characteristics of the Drug Transportation Network

The *Hub* and the Structural Bridge are the same

The direct centrality indicator and the *betweenness* indicators demonstrate that MUDRSMT is not only the *hub*, but also the structural bridge in the network. The results reflect not so much the positioning of the agent high in the hierarchy of the TCN, but the specific focus in the investigation on the drug transportation. The investigation focused on the drug trafficking and did not pursue the other members of the network, its organizers, neither the network members in Turkey.

The Network Nucleus Has no Complex Module of Stabilizer Nodes

There is not a set of nodes close to the nucleus. Indeed, Graph 1.2 shows that the nodes with largest direct centrality indicators after the *hub* are far off the nucleus.

Concentration of social relations

The concentration of the categories identified in the network is as follows: a) Financial Relations accounting for around 98.4% of the total relations established in the network; b) Family/Intimate relations accounting for 1.6%.

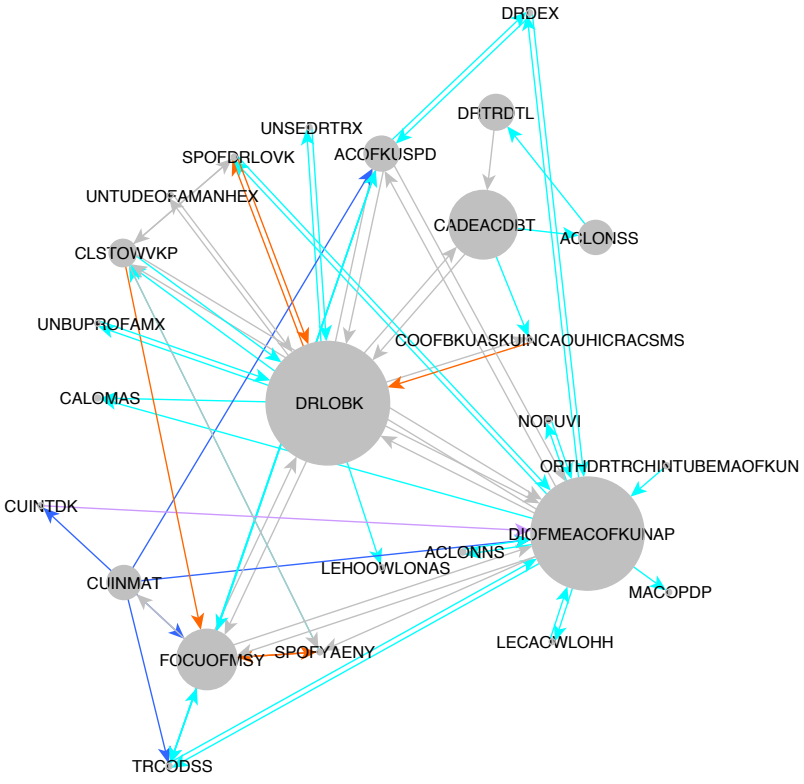
3.1.2. The Balkan Network for the Transit Transportation of Drugs through Bulgaria

The TCN described herein is headed by a Serbian mafia boss who is smuggling amphetamines from Bulgaria to Turkey, importing heroin from Turkey to Bulgaria and trafficking the heroin to Western Europe. The barter system drug deals are a common place for the TCNs operating in the SBEU. The indictment and the court dossier show that the investigation's focus wass mainly on the transportation of the drugs. The most detailed information concerns the transport logistics and the network members at the lower levels who follow the instructions and the orders of the higher-ranking criminals. As in the case described above, the evidence gathered by the investigation did not lead to the perpetrators on the Turkish side, i.e. the drug suppliers. This, as discussed below, illustrates the lack of institucional transborder integration between Bulgaria and Turkia, which makes imposible to disarticulate TCNs such as the ones analyzed.

The *Hub*. The TCN identifies clearly two nodes that have the highest number of relationships and a direct centrality indicator above 15%. This is

significant having in mind that for half of the network members the direct centrality indicator is below 2%. The most connected node is DIOFMEACOFKUNAP, with a direct centrality indicator of 18.6%. This person can be described as the boss's right hand. He is engaged in almost all of the actions related to the drug trafficking – from the organization to the transportation, which accounts for his status as the most connected node.

Graph 2.1. Size illustrates the direct centrality indicator (amount of interactions of each node). Dark blue lines represent interactions of corruption. Orange lines represent family ties. Navy blue lines represent financial interactions. Purple lines represent interactions of control at the border agencies.



We can observe two nodes of important size and a great amount of nodes with an almost minute size. In what follows, the first 12 core nodes with a direct centrality indicator above 2% are introduced.

Core 1/ *hub*: DIOFMEACOFKUNAP identifies the accomplice of the drug leader. This is the person with the highest direct centrality indicator. DIOFMEACOFKUNAP was a pharmaceutical distributor, frequently travelling to Turkey to import drugs for the shop owned by his spouse in Bulgaria. After that person was introduced to the leader of the drug ring, he decided to join the crime group and was aware from the very beginning of the objectives of the TCN. DIOFMEACOFKUNAP was in charge of providing a warehouse for the amphetamines, securing the vehicle to traffic the drugs, and connecting the boss with a person at the customs who could guarantee the safe crossing of the border. The involvement of the agent in almost all activities of the network explains why he is the most connected node. The spouses of the two agents were also closely related. DIOFMEACOFKUNAP was sentenced to 10 years of imprisonment and a fine of 100 000 leva (approximately 50,000 euro).

Core node 2: DRLOBK, code used to identify the leader of the organized criminal group and nucleus of the TCN, with a direct centrality indicator of 15.7%. The TCN operated entirely under his control and instructions. Media publications describe him as a big drug lord in the Balkans. In 2000 and 2007, DRLOBK was convicted by a Bulgarian court of law for illegally entering the territory of the country and for using forged IDs. He was declared *persona non grata* in 2004 for a period of 10 years, and a threat to national security. Despite this, he entered and resided in the country numerous times, using false IDs. He

established contacts with people producing amphetamines and worked with Serbian and Turkish nationals, dealers of amphetamines and heroin. DRLOBK organized, financed and controlled a TCN for trafficking amphetamines to Turkey and trafficking heroin from Turkey through Bulgaria and Serbia to Western European countries. He was sentenced to 16 years of imprisonment in a strict prison regime for the initial period of the sentence and was also fined 220,000 leva (approximately 110 000 euro).

Core node 3: FOCUOFMSY, code used to identify a former customs officer, who uses his connections with his former colleagues to facilitate safe border checks and smuggling of the drugs. He has a direct social relationship indicator of 9.3%, making him the third most relevant agent/node in the network's configuration. Close ties existed between the families of node 1 and node 3; DIOFMEACOFKUNAP and his spouse were best man and bridesmaid at the wedding of FOCUOFMSY. For the drug ring boss, FOCUOFMSY is the intermediary between him and the customs officers who were part of the crime. FOCUOFMSY was sentenced to 15 years of imprisonment in a strict prison regime for the initial period of the sentence and to pay a fine in the amount of 200 000 leva (approximately 100 000 euro). He was convicted for participation in an organized crime group and an accomplice in trafficking drugs from Turkey to Bulgaria.

Core node 4: ACOFKUSPD, code used to identify the accomplice of the drug ring boss. He was involved in the organization of the drug trafficking channel, travelled with the drug boss and attended meetings with other persons involved in the trafficking; acted also as supervisor for the other accomplices. He has a direct social relationship indicator of 7.9%. With his girlfriend, ACOFKUSPD looked after the car, which was used to smuggle amphetamines to Turkey, and was in contact with FOCUOFMSY (core node 3), who was in

charge of securing the safe crossing of the border. He was sentenced to 14 years of imprisonment in a strict prison regime for the initial period of the sentence and to pay a fine in the amount of 270 000 leva (approximately 135 000 euro).

The four agents described above were tried and convicted for their involvement in an organized crime group for the purpose of trafficking drugs; core node 2 was convicted for being the leader and mastermind of the criminal activities. The members of the TCN described below were witnesses in the trial but also played an important role in the drug trafficking network.

Core node 5: CLSTOWVKP, code used to identify the spouse of DIOFMEACOFKUNAP (core node 1). This agent/node has an indicator of 6.4%. She was not charged as a perpetrator in the criminal activities; she knew the key members of the network and had close business relationships with some of them (with the spouse of the drug boss); she also maintained close relationships with core node 4 and his spouse. CLSTOWVKP accompanied DIOFMEACOFKUNAP on his trips smuggling amphetamines to Turkey, and was in contact with other members of the criminal network, both Bulgarian and Turkish, which accounts for the agent's relatively high direct centrality indicator.

Core node 6: TRCODSS, code used to identify the girlfriend of ACOFKUSPD (core node 4). The direct social relations indicator of this agent is 5%. She accompanied core node 4 on the trips to Turkey for smuggling amphetamines and had contact with the other members of the criminal group, both Bulgarian and Turkish, which accounts for the agent's relatively high direct centrality indicator.

Core node 7: CUINMAT, code used to identify the customs inspector at border control point Kapitan Andreevo. This agent/node has an indicator of 4.3%. He plays a key role in the drug trafficking deal; on the request of a former colleague of his (core node 3), the officer let the vehicle loaded with amphetamines pass the border checkpoint safely. Despite this, he was only called to testify in the trial and no charges were filed against him, for corruption or being an accessory to a TCN.

Core node 8: SPOFDRLOVK, code used to identify the spouse of the drug boss, also has an indicator of 4.3%. She has close connections with the members of the TCN and their spouses. She was a business partner of CLSTOWVKP, the spouse of node 1, and the two imported clothes from Turkey to Bulgaria. No charge was brought against her, nor was she called to testify in the trial.

Core node 9: CADEACDBT, code used to identify the boss's assistant, who has an indicator of 3.6%. This person accompanied the drug boss on his trips, followed the boss's orders and the communications in the TCN; found people to do the trafficking. He was called to testify in the trial.

Core node 10: SPOFYAENY, code used to identify the spouse of core node 3. This agent has an indicator of 3.6%. SPOFYAENY maintained close contact with the members of the criminal network. Initially, she had close relations with the spouse of node 1, and later on both made the contact between their husbands, who organized the drug trafficking. She was a witness to the case.

Core node 11: DRDEX, code used to identify one of the Turkish agents who has not been identified so far. This agent has an indicator of 2.9%. The

agent was in contact with the people who smuggled the amphetamines from Bulgaria to Turkey and supplied them with the heroin.

Core node 12: COOFBKUASKUINCAOUHICRACSMS, code used to identify the boss's assistant. This agent has an indicator of 2.1%. He is a blood relative of the boss, supports the TCN's activity and manages the communication between the boss and other external people. This node/agent also takes care of various tasks and orders given by the boss. He was a witness in the trial.

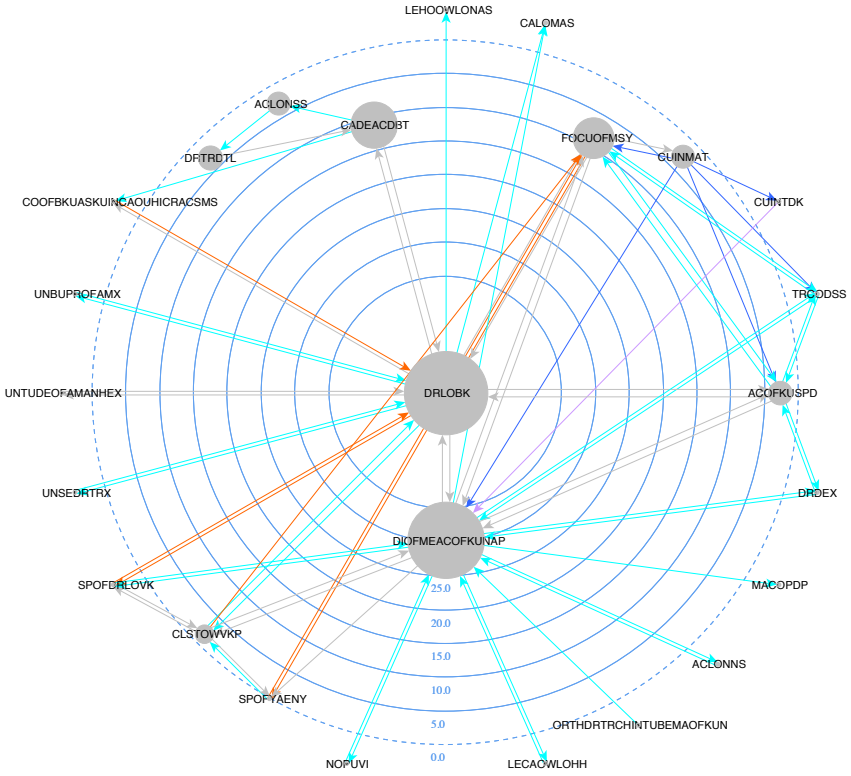
The rest of the agents in the TCN have a direct centrality indicator below 2%. Most of them had to perform individual tasks given to them by a member of the group and did not get into contact with the rest of the group. The high direct centrality indicators of the first two node/agents demonstrate their key role for the functioning of the TCN. The boss was in charge of deciding what and how the TCN was supposed to operate; he is located in the center of the network and manages the flow of information, which is also reflected in his indicator of *betweenness* (graph 2.2). The closeness of DIOFMEACOFKUNAP to the nucleus and the multiple connections in which he's implied illustrate the level of trust between the boss and the node/agent. This means that the structure of the network is mainly the result of the articulating work of the node 1 and node 2 who were able to establish directly 34.3% of all relationships in the TCN. These two agents also serve as stabilizer nodes.

The Structural Bridge

DIOFMEACOFKUNAP is the most connected node, however, this does not imply more information arbitrated and more social capital generated. The

quantity of relationships does not necessarily entail a better position of power within the social network. It is therefore important to determine the node appearing in the middle of the geodesic routes of the TCN, which plays the role of structural bridge. We can do this by calculating the indicator of *betweenness*. Even though DIOFMEACOFKUNAP has the highest direct centrality indicator, he trails DRLOBK in the indicator of *betweenness*. That is, the TCN boss DRLOBK is the most important arbitrator of information and he decides when and to whom to channel the relevant information. He "gets into" 36.3% of all the geodesic routes chartered in the TCN. This means that he implies a high concentration of power to manage the information of the TCN. Nevertheless, DIOFMEACOFKUNAP also concentrates a high level of *betweenness*: 30.5%. Core node 1 and core node 2 together concentrate 66.8% of the capacity to manage information. This feature of the network is reflected in the fact that 16 out of the 25 members of the TCN have a zero score for the indicator of *betweenness*. Of the nine nodes/agents who have an indicator of *betweenness* above zero, two have a relatively high score: CADEACDBT with 11.2% and FOCUOFMSY with 8.7%. That is, they also have some power to intervene and manage the information flows in the network. The other five nodes/agents have an indicator of betweenness below 3%. Using his connections as a car dealer, CADEACDBT accompanied the drug boss on his trips and took part in the preparation of the drug trafficking. FOCUOFMSY, who is a former customs officer, used his connections to link the drug traffickers and the customs officers.

Graph 2.2. Uniform radial distribution. Size illustrates the betwenness indicator (capacity to arbitrate information). Dark blue lines represent interactions of corruption. Orange lines represent family ties. Navy blue lines represent financial interactions. Purple lines represent interactions of control at the border agencies.



Social Relations

In this part we describe the main categories of social relationships articulating the TCN. In this network, the categories of the social relationships are as follows.

Financial relations and Internal Management of the Group

This category applies mainly to the relationships between the members of the network, established for the purpose of drug trafficking and financial gains. The network boss provided the contacts with the producers of the amphetamines that are exported to Turkey, and the heroin suppliers from Turkey. The investigation did not identify anyone else besides the network boss as the main contact point between Serbian and Turkish drug producers and drug dealers. The other members of the TCN played a key role in the trafficking process but they acted on the orders of the boss. They were primarily responsible for the logistics and the transportation of the drugs, while the boss was the mastermind behind the entire operation.

There is no indication that force or coercion was part of the TCN's operations. Each member of the TCN participated voluntarily, driven by the prospect of financial gains; each of them was aware of the purpose of the TCN from the very beginning.

Family/Intimate relations

Family ties represent a significant part of the social relations in this TCN. All four of the convicted perpetrators worked with their spouses. Every time a member of the TCN made a trip to traffic drugs his spouse accompanied him. The high direct centrality indicators of the TCN members and of their spouses also confirm the central role of the family connections in the network configuration.

In the network we observe not only close husband-wife relationships, but also close friendly relations between the individual families. The close family ties increase the trust between the network members. On the other hand, the TCN boss was aided by his cousin.

Corruption and Bribery

This category applies to the agents who provided a shield for the drug traffickers to pass through the border checkpoint without a customs inspection. Specifically, a member of the TCN, an ex-customs officer, provided the information about when it was safe to cross the border. The court dossier reveals that a then employee of the customs office assisted in providing a shield for the drug traffickers. Allegedly, this person persuaded his colleagues in the checkpoint not to carry out a thorough inspection of the vehicle that carried the drugs. Regardless of the evidence, the customs officer was not considered a member of the TCN and was only a witness in the trial.

Conclusions: Characteristics of the Drug Trafficking Network

In view of the direct centrality and *betweenness* indicators, the following are the main characteristics of the analyzed network.

The *Hub* is the closest associate of the boss

The individual with the highest number of direct social relationships is DIOFMEACOFKUNAP, the boss's right hand. He carried out the majority of the tasks given by the network boss. He was aware of the intentions of the drug boss from the very beginning and played active part in carrying out the criminal

activities. This individual had no prior criminal record, he was a distributor of pharmaceutical products and his wife had a business selling goods imported from Turkey. Because of their business, they had to travel frequently to Turkey, importing goods to Bulgaria in large quantities. This made easier the agent's involvement in the drug trafficking scheme.

The stabilizer nodes are the leader of the group and his closest associate.

The drug boss and his closest associate can be described as the stabilizing nucleus of the network. These agents account for 34.3% of the social relationships in the network and concentrate 66.8% of the capacity to manage information. DIOFMEACOFKUNAP is closest to the TCN leader, who is the network nucleus. The rest of the nodes are significantly removed from the nucleus, located in the network periphery. The absence of either of the two agents would cause the network to crumble or would significantly change its structure.

The structural bridge is the leader of the group.

Even though DIOFMEACOFKUNAP is the individual with the highest number of connections in the network, he is not the node with the highest potential to arbitrate information. This position is saved for the group leader, DRLOBK. He concentrates the largest amount of social capital and has the highest *betweenness* indicator. DIOFMEACOFKUNAP also has a high *betweenness* indicator and ranks second in the hierarchy for channeling the information flow to the other agents. The two agents together concentrate 66.8% of the capacity to manage information.

Concentration of social relations

The concentration of the categories identified in the TCN is as follows: a) Financial Relations accounting for around 80% of the total relations established in the network; b) Corruption and Bribery accounting for 5.1%; c) Family/ Intimate relations accounting for 13.9%

2. Two Cases of Export of Crime from Bulgaria

2.1. Human Trafficking Network from Bulgaria to Western Europe

In the early stages of its operations, the TCN described below was mainly engaged in solicitation for prostitution and pimping in one of Bulgaria's seaside resorts. The court dossier provides evidence that the crime group had a prominent leader, who was behind the group's formation from the beginning and who has subsequently controlled the group's activities. Each group member was in charge of recruiting girls for prostitution; they used mostly two recruitment methods: promising large amounts of money quickly and intimate/ emotional relationship used to force the girls into prostitution. The girls knew in advance the conditions of work, the prices of the individual sexual services, the percentage of their earnings, etc. Regardless of the womens' consent to prostitute for the criminal group, they are identified as victims of trafficking. The Bulgarian Criminal Code does not regard the consent of the victims of trafficking as a relevant factor. A prosecutor from the Supreme Prosecutor's Office of Cassation points out that Bulgaria, Hungary, and Kosovo are the only countries which classify "trafficking in human beings" as a felony, without

regard to the victim's consent.[26] The consensual involvement of the victim in the traffic does not exonerate the perpetrator for the commission of any of the forms of this crime.

The group imposed strict rules with regard to accounting for the money earned. The prostitutes were under the constant control of the members of the TCN, as well as under constant video surveillance in the club where they worked. The criminals used physical violence and imposed financial penalties if any of the women did not follow the orders or tried to keep back money. Typically, the prostitutes received half of what they had earned, but sometimes they didn't receive any money. Physical violence and force were widely used by the criminal group. The criminals also controlled the women with threats of violence and physical abuse against their families and relatives.

Two years into the group's operations, the leader decided to expand the group's activity and to "export" women. The destination country was Belgium (Brussels), where prostitution is legal. The organization of the trafficking was in the hands of the leader, while his associates were in charge of the trafficking itself. The girls travelled to Belgium using public transportation; the traffickers covered the trip costs.

The court dossier does not provide evidence for the use of bribery or cooperation with corrupt state officials. The crime group operated from 2001 to 2006, and the investigation identified 17 victims that were forced to prostitute

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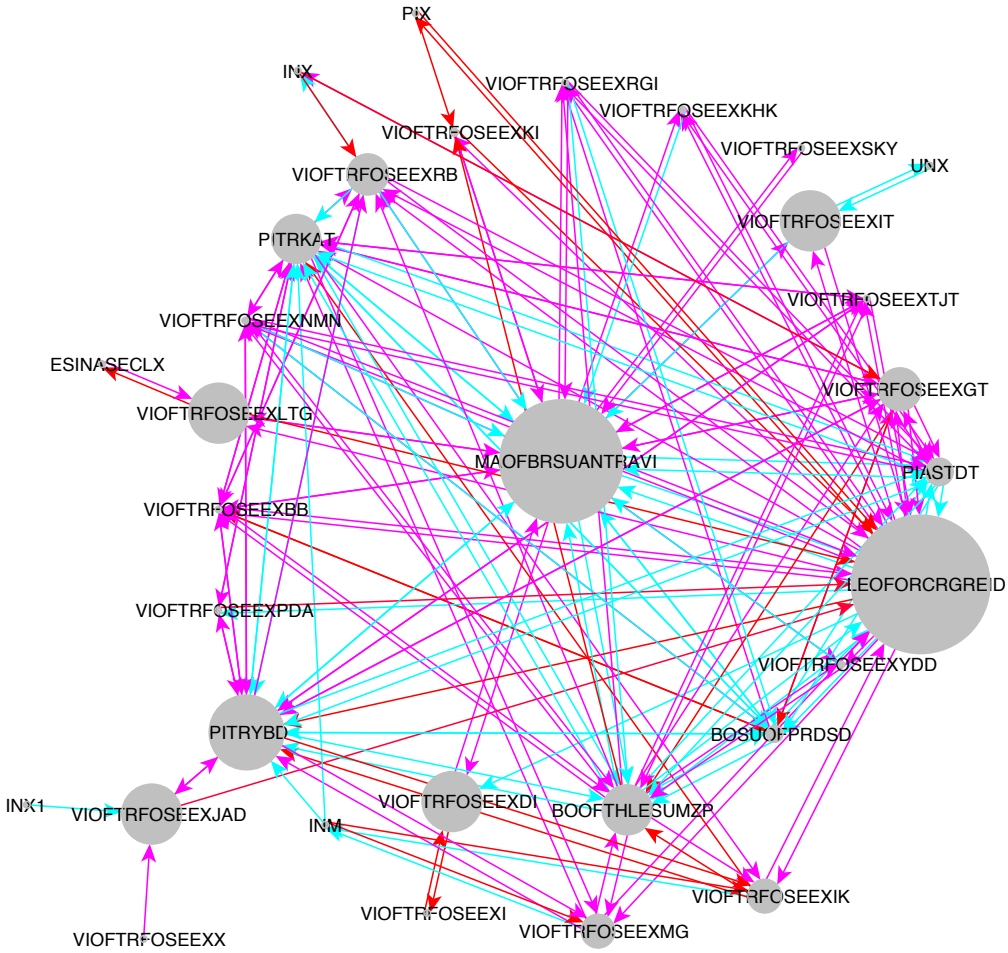
[26] Dikov, E. (2012). Human trafficking – Current State and Trends. Unpublished conference paper „The mandate of the Specialized Prosecution Office and Current Issues in Tackling Financial Crime". Borovets, 13-15 December. [Dikov, E. (2012). Trafik na hora – sastoianie I tendencii. Nepublikuvan doklad ot konferencia „Rabotata na Specializiranata prokuratura I problemite pri borba s finansovata prestapnost". Borovets, 13-15 Dekemvri].

in Bulgaria and were afterwards trafficked to Western Europe for the purpose of sexual exploitation.

The Hub: The agent with the highest degree of direct individual centrality is LEOFORCRGREID, who is the group's leader. He is also the node with the highest number of direct connections with other node. He concentrates 11.1% of the total social relationships established in the network.

Graph 3.1. Size illustrates the direct centrality indicator (amount of interactions of each node). Navy blue lines represent financial interactions. Red lines represent interactions of coercion.



Second in place with the highest percentage of direct centrality indicator is MAOFBRSUANTRAVI, who concentrates 10.1% of the total social relationships established in the network. Below, it is described the seven

members of the TCN. They also rank in the first seven positions for the highest direct centrality indicators. The description of the agents is important because it illustrates the relationships within the network as well as the network's mode of functioning.

Core node 1/hub: LEOFORCRGREID, code used to identify the leader of the organized criminal group. As mentioned above, he holds the highest direct centrality indicator, 11.1%. As the group's leader, LEOFORCRGREID built relationships of hierarchy, full subordination and control of the members of the crime group. All criminal activity was executed under his direct supervision and control. He was also the last instance to approve who could be 'employed' to work for the group. The amount of control exercised by the leader accounts for the high percentage of social relations in which he is involved in the TCN.

LEOFORCRGREID was found guilty of leading an organized crime group, solicitation for prostitution for the purpose of material gain, and trafficking of human beings for sexual exploitation. The defendant confessed to the crimes and was thus eligible for a reduced sentence (the law stipulates a 5 to 15-year prison sentence). He was sentenced to four years and eleven months imprisonment and a fine of 15 000 leva (approximately 7 500 euro).

Core node 2: MAOFBRSUANTRAVI, code used to identify the manager of the club where the prostitutes worked. This agent is second in importance in the network with a direct centrality indicator of 10.1%. He took part in almost all of the activities of the network: recruiting girls, serving as a bodyguard of the prostitutes, collecting the turnover, and transporting the women to Belgium. This agent also pleaded guilty and made a confession; he was sentenced to four years of imprisonment serving in general prison conditions and a fine of 5 000 leva (approximately 2 500 euro).

Core node 3: PITRYBD, code used to identify a pimp/trafficker, with a direct centrality indicator of 7.9%. He was involved in the group from the very beginning. He was primarily in charge of the trafficking of the girls, their accommodation in Brussels, arranging for their workplaces (windows) in the city, and he also supervised their work. The girls reported to him the money they had earned; he was also in charge of transferring the money to the group leader (core node 1) in Bulgaria. This person also confessed and pleaded guilty to all of the counts in the indictment and was sentenced to four years of imprisonment and a fine of 5 000 leva (approximately 2 500 euro).

Core node 4: BOOFTHLESUMZP, code used to identify the bodyguard of the leader. This agent has a 7.9% direct centrality indicator. He was involved in the group from the very beginning and was the second in rank. He was in charge of recruiting girls, soliciting them to prostitute; he served as the leader's bodyguard and a bodyguard for the prostitutes; he also controlled and collected the cash at the end of the day. On the orders of the leader, BOOFTHLESUMZP punished the women and those who did not submit the earned money, broke the rules or tried to hide money. This network member also confessed and was sentenced to four years of imprisonment and a fine of 5 000 leva (approximately 2 500 euro).

Core node 5: PITRKAT, code used to identify a pimp/trafficker. This agent holds a 7.4% direct centrality indicator. He was primarily in charge of the international trafficking of the women, their accommodation in Brussels, arranging their work places at windows in the city, and supervising their work. The girls reported to him the money they had earned; he was also in charge of transferring the money to the leader (core node 1) in Bulgaria. Like the others,

he pleaded guilty and confessed, and was sentenced to four years in prison and a fine of 5 000 leva (approximately 2 500 euro).

Core node 6: PIASTDT, code used to identify a pimp. The direct centrality indicator of this agent is 5.8%. He was involved in the group from the beginning and took part in all of the criminal activities. He was primarily involved in the recruitment of women. Like the other members of the group, he pleaded guilty and confessed, and was sentenced to four years of imprisonment and a fine of 5 000 leva (approximately 2 500 euro).

Core node 7: BOSUOFPRDSD, code used to identify a bodyguard/ supervisor of prostitutes. This node/agent has a direct centrality indicator of 5.3%. The variation in the indicator's value between this agent and the node/ agent of core node 6 is negligible. This node/agent was a member of the TCN from June 2001 to February 2004. He was involved in the criminal activities, many times serving as supervisor and guard of the prostituted women in Bulgaria. He left the group because of disagreements with the leader (core node 1) and the jobs he was assigned to do. Like the rest of the members of the group, he pleaded guilty and confessed, and was sentenced to four years of imprisonment and a fine of 5 000 leva (approximately 2 500 euro).

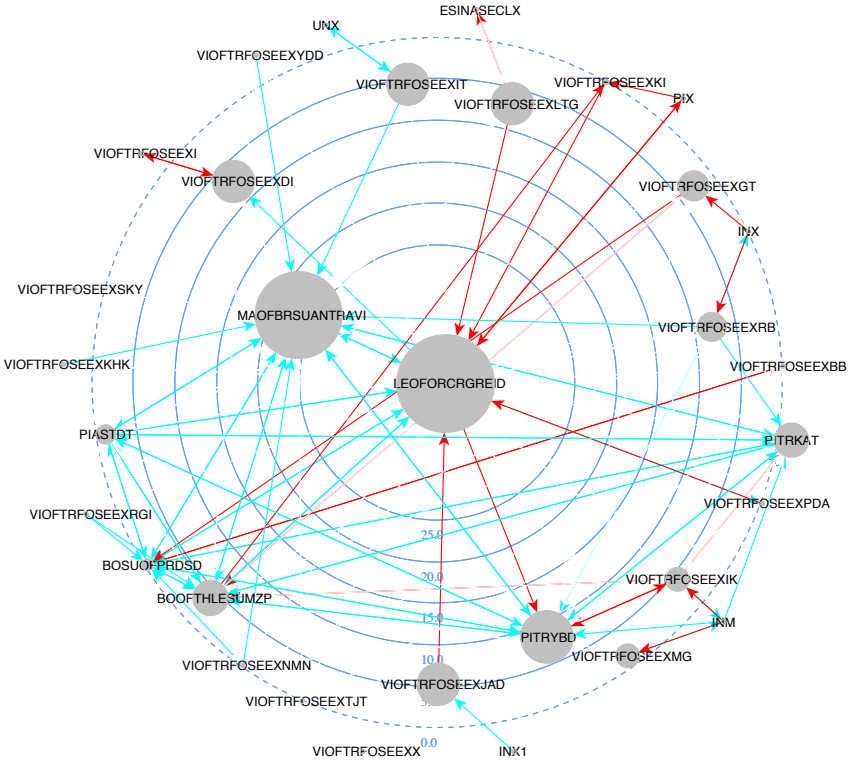
The rest of the nodes/agents in the TCN are the victims of trafficking and several unidentified intermediaries between the members of the crime group and the victims. All of the seventeen victims testified in court against the members of the TCN. Their testimonies confirmed the roles and the function of each of the members of the group. The high direct centrality indicators of the two agents ranked first proves their crucial role for the functioning of the criminal network.

The closeness of MAOFBRSUANTRAVI to the nucleus and the multiple relationships in which he's involved show the high level of trust between him and the leader. This means that the structure of the network is mainly the result of the articulating work of the core node 1 and core node 2 who, together, were able to establish directly 21.2% of all relationships in the network. These two agents therefore also serve as stabilizer nodes of the TCN.

The Structural Bridge

The analysis of the TCN's structure regarding the control and information flows within it, shows the group leader LEOFORCRGREID as the *hub*, who also has the highest indicator of betweennes. That classifies him not only as the most connected and known agent in the network, but also as the agent with the highest capacity to manage information between nodes/agents.

Graph 3.2. Size and location (highest in the nucleus) illustrates the betweenness indicator (capacity to arbitrate information). Navy blue lines represent financial interactions. Red lines represent interactions of coercion.



LEOFORCRGREID is involved in 29 per cent of all the geodesic routes chartered in the network, which implies that he concentrates a high degree of power to manage the information of the network. MAOFBRSUANTRAVI also appears with a high level of *betweenness*, 22.9 per cent. It is also evident that core node 1 and core node 2 concentrate 51.9 per cent of the capacity to manage information. This is a remarkable concentration of information flows. The

remaining 30 nodes/agents concentrate less than half of the potential for information arbitration. In practicar terms, only 15 of the 30 agents have a betweenness indicator higher than zero.

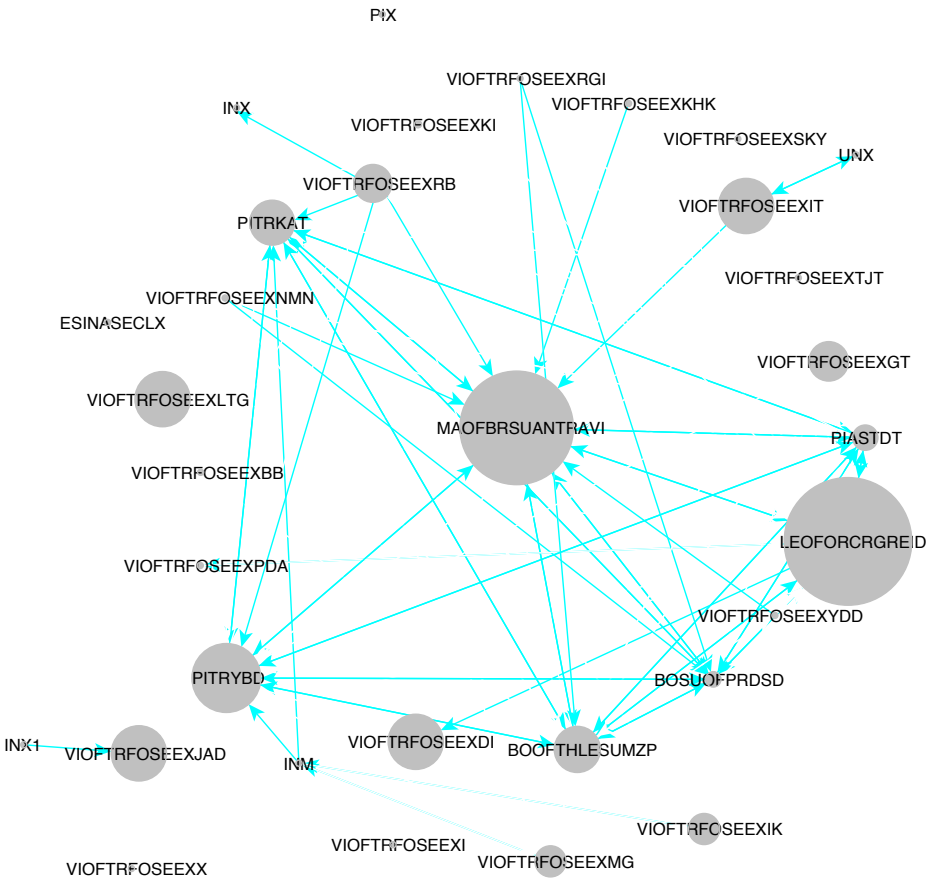
This implies that the network exhibits the same structure with respect to the centrality degree indicator and to the *betweenness* indicator. In the network there are two clearly distinguished nodes/agents with the highest *betweenness* indicator, i.e. with a significant role for the functioning of the TCN as well as a large number of agents whose absence would not impact the structure's configuration in any way.

Social Relations

Financial Relations and Internal Management of the Group

The relations within the group can be defined as hierarchical; the decisions regarding when, how, and who is to going to act are in the hands of the network's boss. He decides which of the recruited women will work for the group, i.e. his associates only execute his orders. The network's leader determines the financial conditions under which the girls are required to work; he also collects the money earned by the prostitutes.

Graph 3.3. Size illustrates the betwenness indicator (capacity to arbitrate information). Only structure of financial interactions is highlighted.



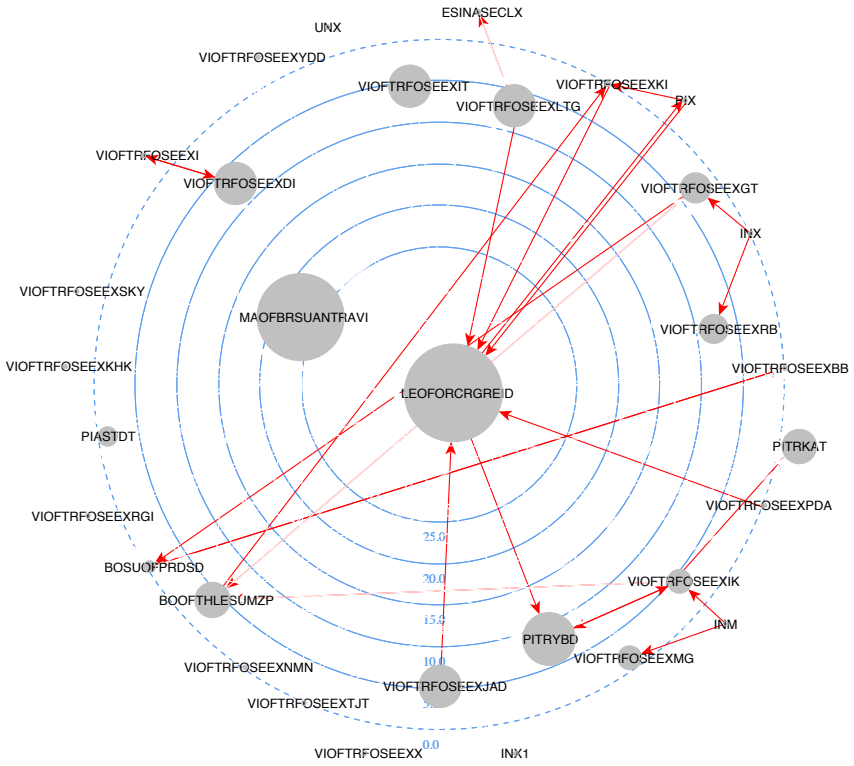
The graph shows that the financial relations unify almost all the nodes in the TCN. In fact, this is one of the main features of this criminal activity; namely, many of the women who get caught in trafficking rings are lured by the promise of good earnings. The traffickers target the most vulnerable women and

those most at risk, such as women without income, unemployed, with no qualification and skills, victims of domestic violence, etc. In the case described above, some of the women have initiated the contact with the TCN, in search of a job. That means, these women have got into the trafficking ring voluntarily. However, once they caught in the criminal network, it is very hard for them to quit. Sexual exploitation and human trafficking for the purpose of sexual exploitation are perhaps the most profitable criminal businesses and the lion's share of the earned money always goes to the traffickers.

Violence and Coercion

Allegedly, this TCN was infamous for using physical violence and cruelty. The trial revealed that the group leader had made the prostitutes work even during their pregnancy or shortly after they had a forced abortion. Physical violence and financial penalties were a regular and relevant part of the TCN's operations; when the turnover was low or when a woman was suspected to have kept some of her earnings. The figure below shows that violence was an integral part of the articulation of the network.

Graph 3. Graph 8. Size illustrates the betwenness indicator (capacity to intervene in the interactions). Only structure of coercion interactions is highlighted.



The leader concentrates a significant number of relations that can be defined as force or physical violence. In addition to physical violence, here we can also include deception and false promises about intimate relationships, which are common recruitment methods used by the traffickers in recruiting girls.

Family/Intimate relations

The intimate relations form a significant share of all the relations in the TCN. Most often they are used to manipulate the women: under the pretence of intimate relations and love, the traffickers force the women into prostitution. In some cases, relatives recruited other relatives to prostitute; for example, a woman who prostituted for the group recruited also her sister.

Conclusions: Characteristics of the Human Trafficking Network

According to the direct centrality and the *betweenness* indicators, the following are the main characteristics of the TCN, engaged in human trafficking for sexual exploitation from Bulgaria to countries in Western Europe.

The *Hub* and the Structural Bridge are the same

The direct centrality and *betweenness* indicators show that the leader of the network LEOFORCRGREID is not only the *hub*, but also the structural bridge in the network. This means that he can coordinate the relations in the TCN without any intermediaries, concentrating a significant share of all social relations in the network. From the very beginning, LEOFORCRGREID gathered around himself people who accept his leadership role. The group was based on full subordination, control, and hierarchy, whereby the members of the group followed the boss's orders and operated under his immediate supervision. Each new member of the group had to be approved by the boss; the women were under his full control and all the information about the group's operations and financial matters was given to him. The boss also recruited women who were forced to prostitute or were later on trafficked abroad. He has the highest *betweenness* indicator, which means that, besides being the individual with the

largest quantity of connections, LEOFORCRGREID has the largest potential to arbitrate information in the network.

The stabilizer nodes are two nodes – the leader and his associate

It is important to note that the structure regarding the two indicators is the same, i.e. each of the positions is occupied by the same agent. For example, MAOFBRSUANTRAVI ranks second with reference to the direct centrality indicator and the *betweenness* indicator. He is trusted by the leader and is involved in all of the group's activities. His closeness to the network's nucleus and the high levels of the direct centrality and *betweenness* indicators are evidence for the importance of the two agents with respect to the structure and functioning of the TCN. In case either of the two agents decided to leave the group, it would significantly impact the network's configuration and might even cause it to break up.

Concentration of social relations

The concentration of the categories identified in the network is, as follows: a) Financial Relations accounting for around 27.7 per cent of the total relations established in the network; b) Violence and Coercion accounting for around 69.6 per cent; and c) Family/Intimate relations accounting for approximately 2.6 per cent of the total relations.

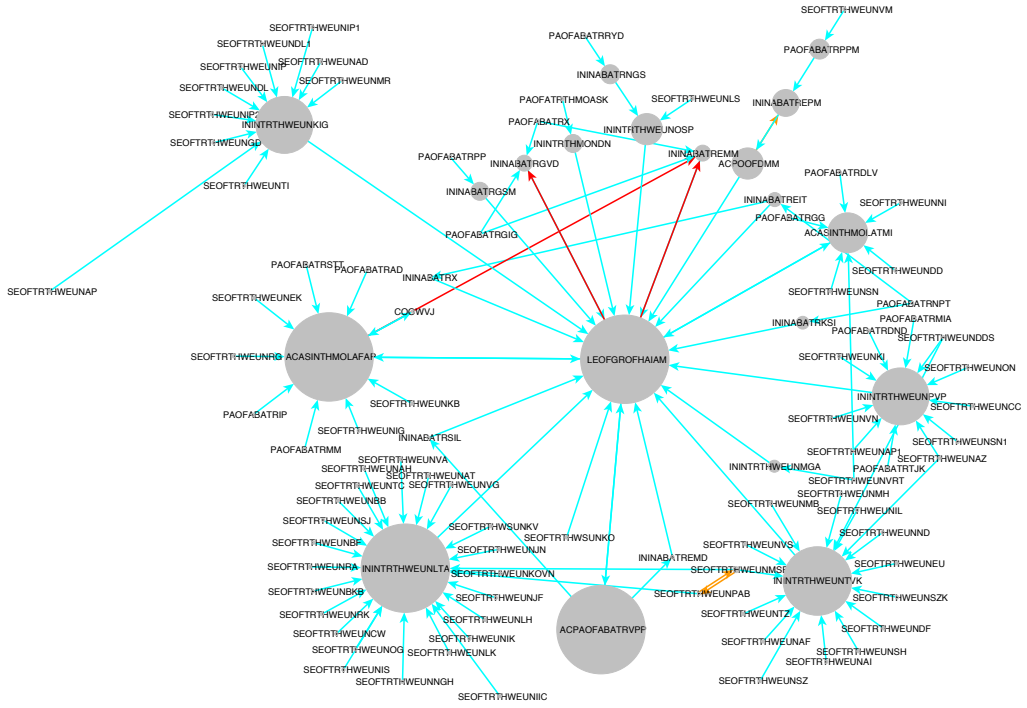
2.2. Skimming Network from Bulgaria

The TCN described below is engaged in the so-called "skimming", the fraudulent obtaining of information from credit and/or debit cards. The sources used for the description below are mainly media publications according to

which the TCN used stolen personal data, credit and debit card numbers, bank account numbers, etc.: information that was bought for 50,000 USD from a hacker's website. The TCN was very well organized for the purpose of illegally drawing money from credit cards in foreign countries. The stolen money was deposited in the bank accounts of intermediaries who afterwards would withdraw the funds and transfer them to Bulgaria using Western Union, Money Gram, or bank transfers. The money was deposited in the accounts of associates of the group leader, who then received all the money in cash. The group operated in several countries, mainly the USA, Germany, Portugal, Russia, Ukraine, Armenia, Serbia, and Azerbaijan. The large number of money transfers got the attention of the officers in the organized crime unit, however, it turned out that the officer in charge of investigating the case was part of the ring and assisted the TCN.

The Hub: ININTRTHWEUNLTA is the agent with the highest degree of direct individual centrality. This is not the group leader but one of the middlemen who made the transfers through Western Union. He is also the node with the highest quantity of direct connections with other nodes. He concentrates 10.4% of the total social relationships established in the network, which is only 0.4 percentage points higher than the score of the network's leader, LEOFGROFHAIAM, who places second with an indicator value of 10 per cent. That means that the two agents enjoy practically the same centrality status. They concentrate 20.4 per cent of the direct connections with other nodes, a very high percentage, keeping in mind that only eight of the other agents have a direct centrality indicator above 2%.

Fig. 4.1. Subnetworks. Size represents the direct centrality indicator (amount of interactions of each node). Red lines represent interactions of coercion. Blue lines represent financial interactions. Orange lines represent family ties.



The first two nodes differ from the node that occupies third place by respectively 3.6 and 3.2 percentage points, which means they are at a clear distance from the TCN nucleus.

The remaining 98 agents have an indicator value below 2 per cent, which means that the majority of the network members had only limited direct contact with other members in the TCN; this is, therefore, a highly centralized network. The reason for that is the specific criminal activity of the group and its mode of operations: a small group of people organizes and is responsible for drawing the money from the credit/debit cards, but to ensure that the money is safely transferred and laundered, many more intermediaries are engaged, until eventually the money reaches the group leader. The network operated with many sub-networks – senders of money transfers – concentrated around other people who received the money, and who would afterwards deliver it to the group leader.

Below is a description of the nodes showing the largest direct centrality indicators, which also play a key role for the functioning of the TCN.

Core node 1/*hub*: ININTRTHWEUNLTA, code used to identify a intermediary in charge of transfering money through Western Union. As mentioned above, this person has the highest direct centrality indicator – 10.4%. ININTRTHWEUNLTA received in his bank account or through money transfers numerous deposits from all parts of the world, which accounts for the high level of the centrality indicator. The person withdraws the money and gives it to the leader. He served as the *hub* of one of the sub-networks.

Core node 2: LEOFGROFHAIAM**,** code used to identify the group leader, who collects the money received from his associates. He enjoys the second highest direct centrality indicator, 10 per cent. This node/agent confessed to all the charges in the indictment: money laundering, instigator and accessory to the crime, committing financial crime, using threat and violence,

etc. He was sentenced to four years and six months imprisonment and had to pay a fine of 5,000 leva (approximately 2,500 euro). His sentence was reduced by one year, which is the time he spent in pre-trial detention.

Core node 3: ININTRTHWEUNTVK**,** code used to identify one of the intermediaries between the senders of money and the TCN leader. His direct centrality indicator is 6.8%. He is also the *hub* of one of the sub-networks.

Core node 4: ACASINTHMOLAFAP**,** code used to identify a close associate of the leader. He ranks fifth in direct centrality indicator, with a value of 5.2%. He is also a *hub* for one of the sub-networks; he received money transfers and then gave the money to the leader.

Core node 5: ININTRTHWEUNPVP**,** code used to identify one of the intermediaries between the senders of money and the group leader, who has a 4.8% degree indicator. He was also a *hub* of a sub-network, receiving money transfers and giving the cash to the leader.

Core node 6: ININTRTHWEUNKIG**,** code used to identify one of the intermediaries between the senders of money and the group leader, who has a 4.4% degree indicator. He was also a *hub* of a sub-network, receiving money transfers and giving the cash to the leader.

Core node 7: ACASINTHMOLATMI, code used to identify an accomplice/assistant in the money laundering. He has a 3.2 per cent degree indicator and concentrates the relations with many senders of money through Western Union. This node/agent acts as the *hub* of one of the sub-networks.

Core node 8: ININABATREMM, code used to identify an intermediary in a bank transfer. He has a direct centrality indicator of 2 per cent. He was an

intermediary for the bank transfers, but was forced by the leader of the TCN to sell his share in the company of which he owned 50%.

These eight nodes establish 46.8 per cent of all relations in the network. The remaining 53.2 per cent of the relations are distributed among 98 nodes/ agents. The concentration of relations in these agents concentrating 46.8 per cent of the interactions represents, as was mentioned above, their role as intermediaries between the senders of money and the group leader.

The Structural Bridge

In addition to the number of relations determined through the degree indicator, the other factor which justifies the position of power within the social network are the agent's capacity for arbitrating more information and for generating more social perverse capital. It is therefore important to determine the node appearing in the middle of the geodesic routes of the network and playing the role of structural bridge. With respect to this indicator, the first two nodes/ agents switch positions. Thus, the TCN leader – LEOFGROFHAIAM – ranks first with 42.04 per cent of the *betweenness* indicator. This implies a significant concentration of power to manage the information of the network, considering the fact that 85 of all 107 members of the TCN have a *betweenness* indicator of zero. The difference between the agents ranking first and second, respectively, is also significant: 30.334 percentage points. This confirms that the leader of the TCN is the most important arbitrator of information, because he "gets into" 42.04% of all the geodesic routes chartered in the network. Twenty agents have a *betweenness* indicator higher than zero and thus have some capacity to intervene in the flows of information of the network. The indicator levels of the agents trailing the second core node decrease gradually. The extremely high

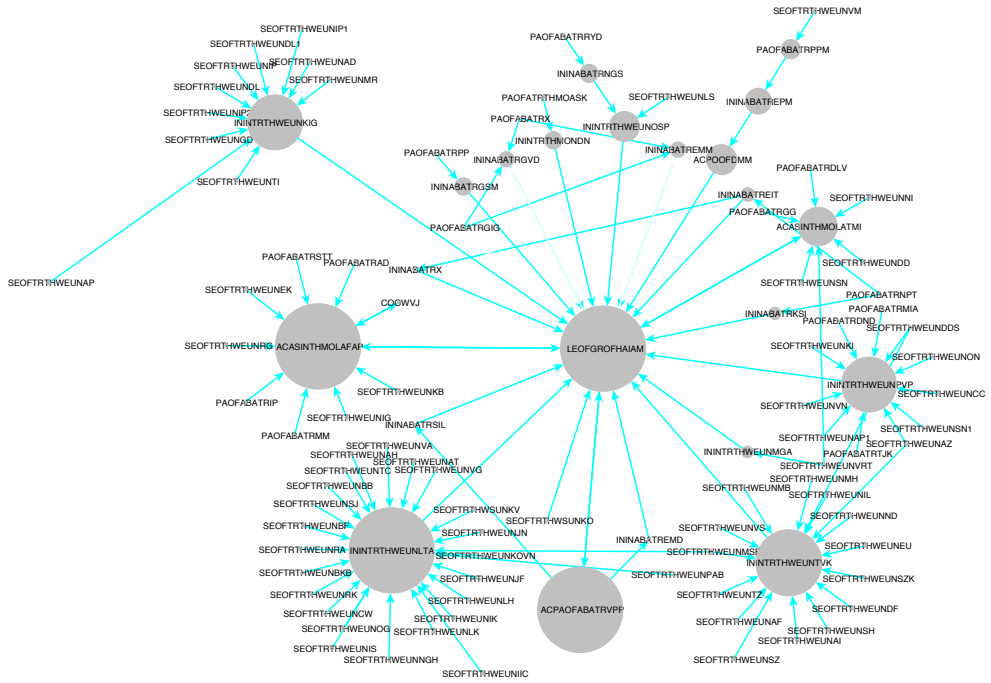
value of the *betweenness* indicator of LEOFGROFHAIAM shows that the TCN has no set of nodes stabilizing the network.

Social Relations

Financial Relations and Internal Management of the Group

The TCN was articulated for the purpose of credit card skimming and laundering the money resulting from the crime. Bearing in mind the specifics of the criminal activity, this category applies to almost all relations in the TCN. The group leader, as the mastermind, instigator and organizer of the criminal activity, concentrates the highest number of relations, as he is also the person who receives the money.

Fig. 4.2. Subnetworks. Size represents the betwenness indicator (capacity to intervene in the interactions). Only the financial interactions are highlighted.



Corruption and Bribery

This category applies to the relations with a police officer who was investigating the case. Working on the case, he contacted the leader of the TCN and offered to cooperate with the group in exchange for protection money. Eventually, the police officer became part of the money transferring scam.

Violence and Coercion

All the members of the TCN, including the senders of money and the intermediaries, joined the TCN voluntarily, lured by the promise of financial gains. The relations between the group members are strictly financial and no violence or coercion was detected. There was only one case when force and

threats of violence were used against two of the intermediaries. They owned a company and were forced by the TCN leader and one of his associates (ACASINTHMOLAFAP) to sell their shares and transfer the ownership rights to the TCN. The TCN needed a legitimate business through which to launder the criminal proceeds.

Family/Intimate relations

Laundering the proceeds of crime using multiple money transfers required working with trusted people. Therefore some of the intermediaries in the TCN used the bank accounts of their relatives (parents, children, and spouses), to transfer the money.

Conclusions: Characteristics of the Skimming Network

According to the direct centrality and *betweenness* indicators, the following are the main characteristics of the network, which was engaged in skimming and money laundering.

The *Hub* – two nodes have similar centrality indicator

The direct centrality indicator show that two agents share roughly the same indicator values: ININTRTHWEUNLTA with 10.4 per cent and the TCN leader, LEOFGROFHAIAM, with 10 per cent. ININTRTHWEUNLTA is the *hub* of one of the sub-networks and concentrates relations with the money senders from various parts of the world, which accounts for his high score.

The Structural Bridge

LEOFGROFHAIAM is the structural bridge in the TCN with a *betweenness* indicator of 42.04 per cent. If we take into consideration the high value of the

other indicator, it appears that he has the capacity to coordinate the relations within the TCN without intermediaries, concentrating a large share of the social relations in the network. In practical terms, this node/agent is in charge of organizing the entire skimming deal, while the other agents assist in the money-laundering phase, which sometimes requires only a single bank transfer. This situation represents, therefore, a highly centralized network.

There is no module of stabilizer nodes in the nucleus of the network

In visual terms, it is observed that there are no nodes close to the nucleus of the TCN, which means that there is no module of stabilizer nodes in the nucleus of the network.

Concentration of social relations

The concentration of the categories identified in this case is as follows: a) Financial Relations accounting for 97.7% of the total relations established in the network; b) Corruption and Bribery accounting for 0.3%; c) Violence and Coercion accounting for 0.8%; d) Family/Intimate relations accounting for around 1.1%.

The four cases discussed above show that even when corrupt state officials have supported the TCN, they are not identified as part of the network. This is especially clear in the determination of the concentration of social relations. Only two instances of corruption are identified in two TCNs. The financial relations are key for the existence and operation of all TCNs and only in one of the networks (for human trafficking), force and violence have more

weight than the financial relations: this depends on the specifics of the criminal activity and the methods used to recruit women to prostitute. The family relations also play a role in the operation of the described TCNs; they are present in all four cases.

The four TCNs that operate in the SBEU provide evidence that the Bulgarian crime networks are a threat to the security in the EU for two main reasons. On the one hand, they have become successfully integrated in and support large international crime groups transiting through Bulgaria. On the other hand, Bulgarian organized crime has expanded its scope and outreach by building TCNs and exporting crime to other countries in the EU. In order to reduce the threat of transnational crime networks operating in the SBEU, the following recommendations should be taken into account.

4. RECOMMENDATIONS FOR IMRPOVING THE COUNTERACTION OF TRANSNATIONAL CRIME NETWORKS OPERATING IN THE SOUTHEASTERN BORDER OF THE EU

Strengthening the efforts to counteract the TCN operating in the SBEU is a key condition for the security in the EU. To be successful, these efforts require further action not only as regards the operations of the TCNs but also with respect to other critical issues. One of these issues is the growing economic inequalities between the member states. The poor economic conditions in countries such as Bulgaria drive many TCNs to the criminal markets in the more affluent countries in Western Europe. In addition, the poverty levels in Bulgaria make more people easy targets – either as perpetrators or victims of crime – for the criminal networks. Tackling these issues requires long-term planning and sustained efforts to improve social and economic conditions in the country.

A serious challenge to any future efforts in this aspect is the geographic location of Bulgaria: situated at the crossroads between Asia and Europe, the country has been for decades particularly attractive for transnational crime transiting through its territory. The overall level of criminality in Bulgaria is extremely high which requires further concerted efforts to reduce its levels. However, this cannot be achieved without external assistance. Criminal groups with real and practical power, running the institutions from behind the scenes, have captured and sometimes coopted many of the Bulgarian institutions.

Bulgaria's admission in the Schengen Area – a goal which has been high on the political agenda in the past few years –, will be a real test and recognition of the country's progress in the fight against organized crime and corruption. Membership in the Schengen Area[27] depends on a number of conditions that the state must meet, for example:

- Responsibility for the control of the external borders of the Schengen Area on behalf of the other member states and for issuing short-term visas;
- Successful cooperation with the other member states to maintain border security after the internal border checks are removed;
- Stictly following the Schengen Area rules for the control of the land, sea and air borders, for issuing visas, police enforcement cooperation and protection of personal data;
- Connecting to the Schengen Information System.

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[27] European Commission. (2011). *Free Movement in Europe: Schengen Area*. Available at: http://ec.europa.eu/dgs/home-affairs/e-library/docs/schengen_brochure/schengen_brochure_dr3111126_bg.pdf

The level of preparedness of the candidate countries is evaluated to guarantee that they meet the requirements and are ready to participate in the system. The last assessment of Bulgaria, which took place in March 2011, showed that the county has fulfilled the technical requirements. Nevertheless, some of the EU member states remain skeptical towards Bulgaria and claim that the country's admission should be deferred until further progress is made in the fight of organized crime and corruption. They are mainly concerned with the land border with Turkey; there are talks for a partial lift of the ban on the water and air borders. Bulgaria's prospects to join Schengen depend on improving its judiciary system and internal order. The biggest concern of the EU is the high rate of organized crime and corruption in Bulgaria which can lead to export crime to Western Europe once the country joins the Schengen area. The technical preparedness of Bulgaria will not be discussed further, assuming that the country has to meet all the requirements in this respect.

The analysis of the four cases presented above outlines several key areas that need to be improved in order to be successful in the fight against TCN.

4.1. In-depth Investigation of TCNs

The TCNs described above show that many times the information included in the court dossier is fragmentary and does not provide a comprehensive view of the criminal network. This conclusion applies not only to the cases of export of crime but also to those of crime transiting through Bulgaria. For example, in the first case, the investigation concentrated only on the transportation of drugs, even though two more groups were suspected as involved, respectively the buyer and the seller of the heroin. Even more interesting is the fact that the investigation failed to identify all of the individuals involved in the

transportation of drugs from Turkey to Bulgaria. The investigators concentrated on specific phases of the crime process and managed to identify and arrest only the people involved in the material, technical execution of criminal operations, such as the mules, which are usually at the low levels of the group and easily replaceable, without significant impact on the group's structure. We see such bias in the investigation of the third and the fourth TCNs as well. Media publications describe each of the TCN as a branch of a larger criminal organization, under the control and the subordination of the bosses of these organizations. Yet, the investigations reached only to the middle and low levels of the criminal structures; typically, these low-level members are easily replaced when needed. It is important for the investigative work to go much deeper and get to each of the levels and branches of the criminal organization, including the top levels, in order to build an exhaustive picture of how the criminal activity is carried out.

4.2. Effective Actions against Corrupt Public Officers Assisting the Operations of TCNs

The efforts to identify and prosecute corrupt public officers who cooperate with criminal organizations are extremely important, but as we have seen above, this remains outside of the courtroom. Corrupt practices are part and parcel of the country's situation and condition to a great degree the model of functioning of TCNs, yet the investigations analyzed herein did not discover relevant links to corruption. At the same time, there are numerous media publications with detailed stories about corrupt public officers with ties to organized crime. Unfortunately, in most cases the information from the media publications and journalist investigations never reach the court. In the case of the Balkan TCN involved in drug trafficking, the investigation did not identify any state officials

who might have supported the criminal organization and its boss, even when it is almost obvious that different levels of official collaboration were needed for accomplishing the activities of the network. In a series of media publications, on the other hand, one can find a very accurate description of the criminal activities, including names, dates, etc. which corroborates the allegations of close connections between top-level public officials and the TCN boss. According to the media, TCNs enjoyed the support of many state officials at the highest political level. However, the investigation failed to identify the corrupt public officers that were involved in the criminal network. In one of the cases, there was a customs' officer actively involved in the trafficking ring who helped the traffickers cross safely the Bulgarian border at Kapitan Andreevo. However, the custom's officer was not indicted.

Sometimes corrupt public officials are members of TCNs. In the skimming case, the police officer investigating the TCN and the criminals were closely connected. The police officer himself approached the TCN boss and offered his help for protection in exchange of money. In the course of time, the police officer joined the criminal ring and helped to transfer money to Bulgaria.

To deal effectively with corrupt public officials who support TCNs, the judicial investigations need to analyze carefully the relevant information and the opportunities for corruption that could potentially benefit the crime groups, and then take the respective measures to collect eligible evidence. In general, the judicial investigations aknowledge the fact that TCNs are not composed only by criminals, but by different gray agents that allow connecting the legal and illegal sectors of society.

Even more important for the success of this process is the political independence of the judiciary and the investigation. Further efforts are needed

to raise public awareness and establish a culture of zero tolerance to corruption. There are always two parties in a corruption deal – the party that gives and the party that receives the bribe. It is necessary to introduce legislation and prosecute both parties; harsher punishments will reduce the risk of corruption and the potential benefits of taking a bribe, which could also reduce the overall levels of corruption in the long run. Special attention should be paid to public officials working in high-risk administrative units. In addition to introducing sanctions for their involvement in corrupt practices, there must be also a system of incentives to report cases of corruption, as well as a protection program for whistleblowers, extending also to their families. As certain administrative units and public officers are more at risk of corruption, it is recommended to implement a differentiated risk-assessment approach in evaluating the vulnerability to corruption of public institutions.

4.3. Conducting Complex Criminal and Financial Investigations of TCN

Another key factor for improving the counteraction of TCNs is the application of an integrated approach in the investigation; that means, integrating the financial investigation in the criminal investigation of the networks, or following the money trail. The investigations in the first three cases described above focused only on the purely criminal activities and did not tackle the money flows, even when it was a highly relevant aspect on each acase. This was only done in the case of the fourth TCN, but only because the criminal activity itself – skimming – constitutes an economic crime and financial investigation is required by law. It is of utmost importance to conduct financial investigations in cases of transnational crime networks even if the statutory criminal activity does not involve economic crime.

A successful financial investigation can help the authorities tackle also the problem of money laundering; reducing the financial power of the Transnational Criminal Networks by confiscating the proceeds of crime will hamper the future operations of those criminal networks and their ability to pay corrupt officials. Following the money trail is furthermore the key to get to the top levels of TCNs and to bring down the organizers. Integrating the financial investigation into the overall investigation process and following the money are therefore crucially important for the success in dismantling TCNs.

4.4. Strengthening International Cooperation in the Fight against Transnational Criminal Networks

The cases presented in this study reveal another loophole in the investigation: there is no information provided by the authorities in the neighboring Balkan countries, Serbia and Turkey. Because neither country is a member of the EU, it is not possible to rely on the EU mechanisms for international cooperation and coordination in the fight against crime. This has prevented the investigation to get to the Turkish accomplices in one of the cases that have remained so far unidentified. The lack of international cooperation limits the investigative work to the territory of only one country and hampers the efforts to bring down the entire TCNs. Therefore countries in the Balkan region should step up their cooperation efforts, for example, by introducing joint investigation teams and expanding the investigation efforts to the territory where the TCN operate.

One obstacle to a successful international cooperation in the region is the language barrier, which slows down the communication and information exchange between law enforcement agencies. Often, the information exchange

is much faster when the officers know each other and have established good working relations with their international colleagues. In this respect, it is highly recommended to build a network of contact points between the prosecution offices in each of the Balkan countries, in order to improve the exchange of information and their collaboration.

4.5. Using Special Investigation Methods in the Investigation of TCNs

Using special investigation methods such as undercover agents or controlled delivery is key in the fight against transnational organized crime not only in Bulgaria, but also in the region of the Balkans. In the four cases of TCNs operating in the SBEU there is no evidence that special investigation methods have been used. It is also necessary to introduce new instruments for the investigation of TCNs, for example, the so-called cooperating witnesses – perpetrators who agree to collaborate with the investigation. Introducing new legislation to allow the use of this instrument will enable the investigation to get to the highest levels of the organized crime which are notoriously complex structures and highly secretive, making them almost impenetrable using conventional investigation methods. However, the introduction of this new instrument in Bulgaria requires also new regulations with regard to the protection of those people, i.e. witness protection programs, relocation of the witnesses and their families and new jobs, among others.

4.6. Harsher Sentences for Members of TCN

In the cases discussed, some of the imposed sentences appear inadequate to the crimes committed. This is true in particular for the third case and TCNs involved in human trafficking. Despite of the cruelty of the crime, the long period in which the TCN operated, and the large number of victims, the crime

boss was sentenced only to 4 years 11 months of imprisonment and a fine of 15 000 leva (approximately 7 500 euro). It is critical that in cases like this the sentences are higher, not only as an adequate punishment of the perpetrator but also because it will have a deterrence effect for other criminals. In addition, longer and more severe sentences will make it more difficult for the members of the TCN to resume their business once they leave prission; typically, most of the criminals return to their previous activity after serving their time.

In this respect, it is also recommended to develop a new Criminal Code, with adequate punishments for the committed crimes. The current CC dates from 1968 and despite numerous amendments throughout the years, it is obsolete and ineffective, mainly bearing in mind the social and economic changes observed during the last three decades.

4.7. Prevention

The prosecution of crime is not enough to fight TCNs; adequate and comprehensive policies for crime prevention are equally important. This is especially true for crimes such as human trafficking. In a long-term perspective, prevention should become the main focus in the efforts to fight organized crime, in particular, human trafficking.

4.8. Increasing the Knowledge of TCN

To improve the counteraction of TCNs operating in the SBEU it is necessary to have an ongoing assessment and studies of the trends and developments in the criminal markets, to ensure an adequate level of knowledge and up-to-date information. This is the only way to respond quickly and effectively to the constantly changing environment and emergence of new forms of crime. In-

depth knowledge is vital for designing evidence-based policies and measures to dismantle TCN.

The list of recommendations is by no means exhaustive; they concentrate on the most critical areas that need immediate action and attention. Their implementation will definitely improve the current situation and strengthen the security along the southeastern border of the EU.