THE CIVIL SOCIETY OBSERVATORY TO COUNTER ORGANIZED CRIME IN
SOUTH EASTERN EUROPE

RISK BULLETIN

SUMMARY HIGHLIGHTS

1. **Busted Albanian cocaine network run from prison in Ecuador**
    On 17 September, Europol released information about a major international operation that took down one of the most active Albanian-speaking cocaine-trafficking networks in Europe. The Albanian media speculate that the kingpin is a notorious 40-year-old Albanian criminal. Interestingly, he has been imprisoned in Ecuador for the past six years. This case shows the reach of criminal groups from the Western Balkans, and the weakness of justice systems in Latin America, which enables Balkan criminals to operate there – even from jail.

2. **Illicit weapons in the Western Balkans: a threat to Europe**
    South Eastern Europe is awash with weapons, particularly from the legacy of wars in the former Yugoslavia. Some countries in the region still manufacture weapons. There is concern in Western Europe that guns, grenades and explosives from South Eastern Europe are being used for gang violence and by extremists and terrorists. This article looks at the scope and nature of the threat, as well as attempts to address it through the Berlin Process.

3. **Organized crime through a gender lens**
    Organized crime is usually considered a man's world. Little is known about the role of women as victims or perpetrators. The issue has received little attention in the Western Balkans and yet there are clear links between crime and masculinity in the region. This article looks at organized crime in the Western Balkans through a gender lens to better understand the informal rules that shape different roles for men and women, and to highlight what can be done to design countermeasures to change attitudes, images and behaviours.

4. **Phishing in North Macedonia**
    Hackers in North Macedonia have developed a notorious reputation, from producing fake news during the last US election to carrying out a disproportionate number of cybercrime offences. Lately, cybercrime seems to be having a growing impact on the private sector in North Macedonia, particularly as a result of the technique known as 'phishing', which is used to steal data or carry out fraud. This article explains how it works and its impact.

5. **On breaking down silos, and 'untouchables': the Balkan Criminology network**
    In our monthly focus on resilience, Dr Anna-Maria Getoš Kalac, founder and co-chair of Balkan Criminology and associate professor at the University of Zagreb's Law Faculty, speaks about breaking down silos between academics, civil society, the media and criminal-justice practitioners in the Western Balkans, as well as the threat posed by 'untouchables' and the role of academia in fighting corruption.

GLOBAL INITIATIVE
AGAINST TRANSNATIONAL
ORGANIZED CRIME

ABOUT THIS ISSUE

Thank you for your positive feedback on Issue 1 of the Risk Bulletin produced by the Civil Society Observatory to Counter Organized Crime in South Eastern Europe. We appreciate your comments, and welcome suggestions for stories and subjects to cover.

In this issue, we look at a recent case that came to light concerning an Albanian-speaking cocaine-trafficking network operating out of Ecuador. This illustrates a trend that the Global Initiative Against Transnational Organized Crime (GI-TOC) highlighted in a July 2020 report, 'Transnational tentacles: Global hotspots of Western Balkan organized crime', which showed how criminal groups from the Western Balkans are active in several crime hotspots around the world. What is also interesting about this case is that the alleged kingpin was coordinating drug-trafficking operations from a prison in Ecuador.

We feature a story about the smuggling of weapons from South Eastern Europe. Although this risk is not new, the problem has received attention recently, as guns, grenades and explosives from the region have been used in gang violence in Western Europe, and there are concerns that weapons could get into the hands of extremists and terrorists.

Gender is seldom a topic associated with organized crime. In this issue, we look at organized crime through a gender lens in the Western Balkans to better understand the informal rules that shape different roles for men and women, and to highlight what can be done to design countermeasures to change attitudes, images and behaviours.

In the past, North Macedonia developed a reputation for cybercrime and producing fake news. Lately, North Macedonian businesses have been on the receiving end of cyber attacks, particularly through a technique known as phishing, which is used to steal data or carry out fraud. We explain how it works and its impact.

Every month, we feature a profile of a person or organization working to strengthen resilience to organized crime and corruption. In this issue, we talk to Dr Anna-Maria Getoš Kalac about the Balkan Criminology network and what it is doing to improve the study of organized crime in the Western Balkans and to build networks between academics, civil society, the media and criminal-justice practitioners in the region.

If you would like to get in contact with us or would like to contribute to the Risk Bulletin, please contact us at Kristina.Amerhauser@globalinitiative.net.

1. Busted Albanian cocaine network run from prison in Ecuador

On 17 September 2020, Europol released information about a major international operation that took down the Kompania Bello, one of the most active Albanian-speaking cocaine-trafficking networks in Europe.[1] More than 20 people were arrested following a five-year investigation led by the Italian police and involving law-enforcement agencies from ten countries. In the raids, nearly four tonnes of cocaine and over €5.5 million in cash were seized from what was described as a highly professional criminal syndicate.

According to Europol, the organization's ringleader, a 40-year-old Albanian national based in Ecuador, used sophisticated encrypted communication technology to negotiate directly with South American drug cartels; arrange huge shipments of cocaine to major ports in Europe; and, with the help of accomplices based in Italy, the Netherlands and Albania, organize distribution of the drugs throughout Europe. The cocaine was smuggled across European borders concealed in vehicles equipped with elaborate hidden compartments. The criminals apparently laundered their proceeds using an underground alternative remittance system of Chinese origin, known as *fei ch'ien*, which is similar to *hawala*.

The Albanian media speculated that the kingpin is a man named Dritan Rexhepi.[2] Interestingly, Rexhepi has been imprisoned in Ecuador for the past six years since his arrest in August 2014 for drug trafficking. Rexhepi has spent most of his adult life on the run. He is wanted for murdering two policemen in Albania after escaping pre-trial detention in 2006. After being arrested in the Netherlands in 2008, he was extradited to Italy. In April 2011, while serving a sentence for drug trafficking in Italy, he escaped from a jail in Pavia.[3] A few months later, he was accused of bank robbery and arrested in Spain, but was later extradited to Belgium where he was wanted for drug trafficking. There he escaped from jail a third time, until he was arrested in Ecuador in 2014.[4]

That a notorious criminal could play a leading role in coordinating such a massive cocaine-trafficking operation from his prison cell in Ecuador shows not only the strength of the Albanian criminal networks operating outside of the Western Balkans, but also the weakness of the criminal-justice system in Ecuador.

A container cargo ship docks at the deepwater port of Guayaquil, Ecuador. © *Shutterstock/Al'fred*

A July 2020 GI-TOC report,[5] 'Transnational tentacles: Global hotspots of Western Balkan organized crime', describes how over the past twenty years, criminal groups from the Western Balkans, including from Albania, have moved up the value chain in several major drug markets to become big players, particularly in cocaine trafficking from Latin America to Western Europe.

Ecuador seems popular for criminal groups because the country is situated between Colombia and Peru, which together produce around 90% of the world's cocaine. It is also easy to come and go: there is visa-free travel for up to 90 days, no national database of fingerprints or identity photos, and it is reportedly easy to change one's identity and purchase fraudulent documents, such as ID cards and passports. Other vulnerability factors include a recent history of political instability, porous borders, a weak criminal-justice system, a cash-based economy (which makes it hard to trace financial flows and easy to launder money), and corruption in the judicial system. Ecuadorian prisons have a long history of corruption and insecurity,[6] as well as gang-related violence.[7] It is also worth noting that Ecuador has no law that provides for the seizure of assets

from drug traffickers, and almost no cooperation, mutual legal assistance or intelligence exchange with the Western Balkan countries. It is therefore not surprising that the Ecuadorian National Anti-Narcotics Directorate estimates that between 2017 and 2019, 56 Albanians linked to illicit activities arrived in Ecuador.[8]

According to the National Service for Persons Deprived of Liberty in Ecuador, Rexhepi will be extradited to Albania after serving his entire 13-year sentence in prison.[9] So far, he has completed about half of his prison time.

This case shows that improved law-enforcement cooperation within the Western Balkans or between the regional countries and Europol will be insufficient if criminals from the region are able to operate freely in Latin America, even after being arrested. To enhance drug control, a more effective triangular relationship will be needed between countries of the Western Balkans, Western Europe and Latin America, including mutual legal assistance, seizure and recovery of assets, extradition, intelligence-sharing and joint operations.

Stockpiles of firearms are seized in Vlora, Albania, August 1997. *© Alain Nogues/Sygma/via Getty Images*

2. Illicit weapons in the Western Balkans: a threat to Europe

On 30 September 2020, almost 9 000 law-enforcement personnel from 34 countries took part in a joint operation against organized crime in South Eastern Europe. [10] The four-day operation, supported by Europol, aimed to tackle illegal immigration and trafficking; 166 people were arrested on charges related to trafficking in weapons, people and drugs. More than 51 weapons of different types were seized.

Smuggling of weapons from the Balkans has been a concern since the 1990s and, evidently, the problem has not abated: 'Millions of light weapons circulating in the Western Balkans pose a great threat to European security,' said French Foreign Minister Jean-Yves Le Drian in a joint press conference with his German counterpart, Heiko Maas, in December 2018.[11] Police in Sweden, concerned by growing gang violence, have recorded a marked increase in the use of pistols, revolvers, automatic weapons and even grenades smuggled from the Western Balkans. And the ongoing war between Montenegrin clans has been characterized by violence using a range of weapon types, including automatic weapons and plastic explosives. How serious is the supply of illicit weapons in the Western Balkans? And what are the risks to the region and beyond?

South Eastern Europe is awash with weapons left over from the wars in the former Yugoslavia, including those imported during the 1990s, weapons left behind by the Yugoslav National Army, and those used in Kosovo in 1999 and North Macedonia in 2001. Weapons were also plundered from armouries during civil unrest in Albania in 1997. According to conservative estimates from the UN and Europol, as well as from regional experts, there are more than 3 million illicit weapons in the six countries of the Western Balkans plus Croatia.[12] That is an average of 30 weapons (legal and illicit firearms) per 100 inhabitants.[13]

The Geneva-based Small Arms Survey shows that in 2017, Montenegro and Serbia, each with 39.1 weapons per 100 residents, rank third worldwide and first in Europe in civilian-held firearms. Other Western Balkan countries are also high on the list: Bosnia and Herzegovina rank fifth in Europe and ninth worldwide (31.2 per 100 residents); North Macedonia is seventh in Europe and 13th worldwide with 29.8 per 100 residents; Kosovo ranks 11th in Europe with 23.9 per 100 residents and 16th in the world.[14]

Almost all types of small arms and military-grade weapons can be procured in the Western Balkans and Croatia, even anti-tank weapons, explosives, mortars, hand-held rocket launchers and light anti-aircraft guns.
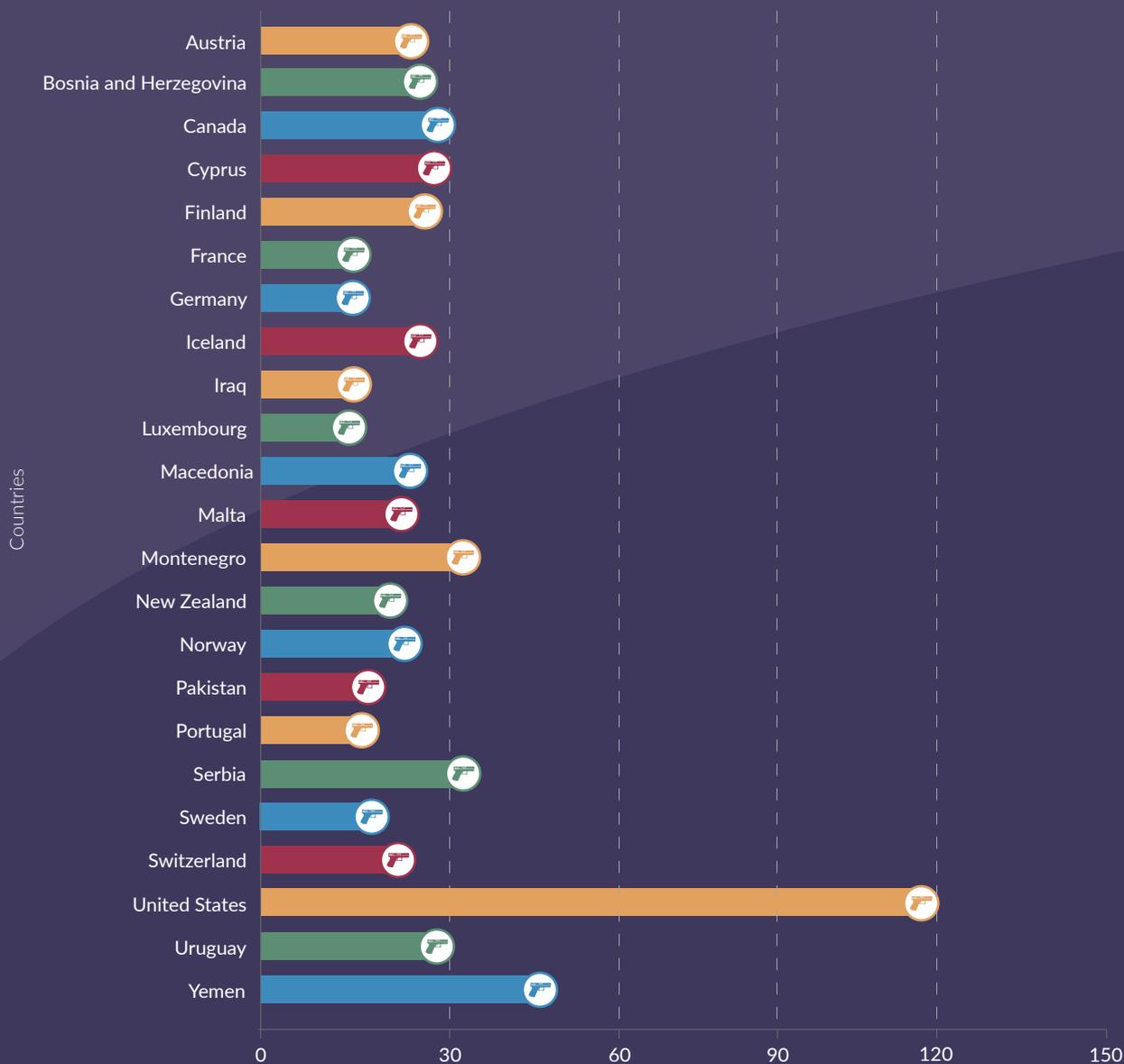
United States	120.5	Iceland	31.7	Sweden	23.1
Yemen	52.8	Bosnia and Herzegovina	31.2	Pakistan	22.3
Montenegro	39.1	Austria	30.0	Portugal	21.3
Serbia	39.1	Macedonia	29.8	France	19.6
Canada	34.7	Norway	28.8	Germany	19.6
Uruguay	34.7	Malta	28.3	Iraq	19.6
Cyprus	34.0	Switzerland	27.6	Luxembourg	18.9
Finland	32.4	New Zealand	26.3		

FIGURE 1 Estimated rate of civilian firearms holdings in the 25 top-ranked countries and territories, 2017 (firearms per 100 residents).

SOURCE: Aaron Karp, Estimating global civilian-held firearms numbers, Small Arms Survey, June 2018, www.smallarmssurvey.org/fileadmin/docs/T-Briefing-Papers/SAS-BP-Civilian-Firearms-Numbers.pdf.

Country	Estimated amount of illicit weapons
Albania	210 000[15]
Bosnia and Herzegovina	750 000[16]
Croatia	600 000[17]
Kosovo*	200 000[18]
Montenegro	170 000[19]
North Macedonia	500 000
Serbia	1 000 000[20]

Albania 6% — Bosnia and Herzegovina 22% — Croatia 17% — Kosovo* 6% — North Macedonia 15% — Serbia 29% — Montenegro 5%
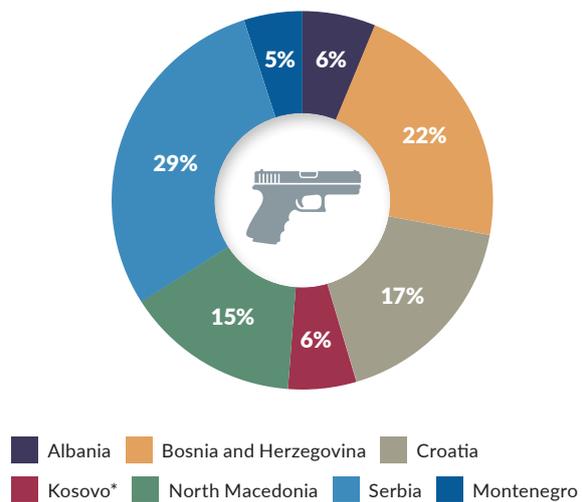
FIGURE 2 Estimated number of illicit weapons by country, Balkans region.

*Note: The designation of Kosovo is without prejudice to positions on status and is in line with UN Security Council Resolution 1244 and the International Court of Justice Opinion on the Kosovo declaration of independence.

SOURCE: Small Arms Survey, Civilian firearms holdings, 2017, http://www.smallarmssurvey.org/fileadmin/docs/Weapons_and_Markets/Tools/Firearms_holdings/SAS-BP-Civilian-held-firearms-annexe.pdf

Smuggling, use and cost of illicit weapons

Most of these weapons are hidden in people's homes, on the black market or in the possession of criminals. Since 2015, a spate of assassinations related to a war between criminal groups in Montenegro has killed dozens in incidents involving automatic weapons or plastic explosives.

The average price of weapons in the Western Balkan countries ranges from €10 for a hand grenade to €150–400 for a pistol.[21] Semi-automatic rifles cost between €150 and 300, while automatic rifles are around €200 to 400.

An M-75 type hand grenade and canister. © WikiCommons

Explosives from the Western Balkans can also be found on the black market: plastic C4 explosive costs between €1 500 and 4 000 per kilogramme. Until 1991, only four countries in the world, including the former Yugoslavia, produced this type of explosive. It was manufactured in a military factory in Berane (now Montenegro). Plastic explosives are widely used by criminals in Montenegro and Serbia, particularly for blowing up vehicles – on 13 September 2020, this type of explosive was allegedly used to blow up a car in Belgrade.

When it comes to smuggling illicit weapons, criminals from the Western Balkans are well connected to arms traffickers from Croatia and Slovenia, where there have been several major weapons seizures.[22] Illicit weapons are smuggled by organized-crime networks throughout Europe, usually involving groups that are engaged in the illicit trafficking of other goods (such as drugs). In some cases, weapons have been traded for drugs. Weapons from the Western Balkans have been found in Austria, France, Germany, Italy, the Netherlands, Spain, Sweden and the UK.[23] Some of these weapons are used by criminal groups; others end up in the hands of terrorists.

The UK's National Crime Agency has warned that the number of illicit weapons in the UK will continue to increase; weapons from the Western Balkans are at the forefront of the illicit market.[24] The agency fears that some of the illicit weapons from the Western Balkans might be used in terrorist attacks.

In Sweden, the number of murders linked to organized-crime groups that use illicit weapons from the Western Balkans is on the rise.[25] The buyers of illicit weapons are members of organized criminal groups and gangs. In this normally peaceful country, there were 320 incidents and 42 deaths in 2019 due to armed violence,[26] including a shocking number of cases involving M-75 hand grenades produced in the former Yugoslavia. These can be purchased for as little as 100 crowns (€9.60).[27]

According to French police, terrorists involved in the attacks in Paris in January and November 2015, including the massacre at the Bataclan concert hall, used illegal weapons from the Western Balkans.[28] There are also reports of weapons produced in the Balkans ending up in war zones like Syria.[29]

Motorcycle gangs are also involved in the illicit trafficking of weapons from the Western Balkans. Contacts that previously trafficked drugs and people are now being used to smuggle weapons. The notorious Ćulum brothers, who were active in the United Tribune motorcycle gang,

are apparently operating out of Bosnia and Herzegovina after being banned from Germany as a threat to national security.[30] They have allegedly been involved in drug and arms trafficking in Germany, Austria and Switzerland.[31] Other groups, like the Bandidos based in Göteborg, are said to be expanding their contacts in the Balkans.[32] The most popular route for trafficking weapons to Western Europe is the Balkan Route.

The EU has recognized the problem of illicit weapons in the Western Balkans and is involved in joint programmes with regional governments. In 2017, France and Germany launched an initiative to suppress firearms smuggling in the Western Balkans, with an action plan until 2024.[33] As part of the Berlin Process, a roadmap for a sustainable solution to the illegal possession, misuse and trafficking of small arms and light weapons, and ammunition in the region was adopted at the Western Balkans summit in London in July 2018.[34] Given the number of weapons in circulation, urgent action is needed to reduce the risk of these weapons getting into the hands of criminals and terrorists.

3. Organized crime through a gender lens

'We worked for 45 days drying, cleaning and packing the cannabis that would be sent to Italy from the shores of Kurbin. It was intensive, but a satisfactory experience. For eight hours, we were paid 2 000 Lek [€16]; if you worked for 10 hours, you could get 2 500 Lek [€19]. With the money I earned, I bought clothing and schoolbooks for my three children.'[35]

'It is a pity that in one year this job lasts no more than 40 days. Me and my husband do not have any job and working more often would be profitable.'[36]

Two women engaged in the cultivation of cannabis in Albania, who told us their stories, provided insight into the role of women in this illicit activity. Reports of women being engaged in the cultivation of cannabis in Albania date back to the beginning of the 1990s, when they planted cannabis in their gardens.[37] Since then, women are believed to have played a key role in the industry, specializing mostly in the process of cleaning cannabis.

Cases are rare, but women have also been involved in more senior positions in criminal groups in the region. On 22 September 2020, a Serbian woman heading an international cannabis-trafficking group was arrested in Spain together with 30 other members of the group (mostly from Serbia, Croatia and the UK), some of whom had previous criminal records in Serbia and were

wanted by the authorities.[38] In addition, 12 600 plants, 190 kilogrammes of processed buds and €50 000 in cash were seized.[39] The network had more than a dozen indoor cultivation facilities close to Barcelona, equipped with rapid-cultivation technology. Their product was distributed in Catalonia. According to Spanish authorities, this was the most important criminal organization involved in cannabis trafficking that has been dismantled this year.[40]

There is a growing number of global studies analyzing the role of women in organized criminal groups around the world, looking both at their roles as victims and as perpetrators.[41] Policymakers are also increasingly recognizing the role of gender in shaping individuals' vulnerabilities to organized crime. In the Western Balkans, however, the link between gender and organized crime remains understudied. Few reports on the region pay attention to the role of women in organized crime, and even fewer look at gender perceptions related to organized crime and if gender influences why and how people get involved.[42]

Socio-economic factors certainly play a role in terms of increasing vulnerability to organized crime. For example, 49 individuals (men and women) interviewed for a recent study unanimously identified economic hardship as the motive for their participation in illicit cannabis cultivation.[43] But although socio-economic impacts are widely

An Albanian woman with seized marijuana plants following police raids in Lazarat, Albania, June 2014.
© *Gent Shkullaku/AFP via Getty Images*

recognized, there is less focus on how they can affect women differently, and what this means about how men and women's vulnerability to organized crime is shaped.

A number of leading indicators show that women face even greater economic hardship than men in the Western Balkans. For example, as shown in Figure 3, unemployment in the region is high – particularly for young women.

In 2019, there was also a gender pay gap averaging 10% in Albania, 13.9% in Montenegro and about 12% in North Macedonia. In the same year, in Serbia, the average monthly salary for a woman was €30 lower than that for a man.[44]

If economic hardship were a significant factor pushing people into organized crime as an income source, prisons in the Western Balkans would presumably be full of women. However, this is not the case. As seen in Figure 4, which gives an overview of the prison population in the Western Balkans Six countries in 2019, the number of women behind bars is a very small percentage of the total. At the

end of 2019, 4.1% or less of the total prison population across the Western Balkans were women.[45] In addition, many of these convictions are linked to petty crime (fraud and robbery), and not organized criminal activities. Since 2015, the number of women convicted for drug-related crimes in Albania has risen, including convictions from drug abuse and organized-crime-related activities.[46]

Official statistics also indicate that women's role in organized crime is limited: Serbian Ministry of Interior data in 2019 shows that almost 95% of members of organized criminal groups in Serbia were men.[47]

Although this suggests that organized crime in the Western Balkans is a man's world, it is key to recognize that gender perceptions shape not only the role played by individuals in organized crime, but also law-enforcement responses and interdiction patterns. Prison populations and official statistics may yield a distorted reflection of the Western Balkans' criminal landscape.
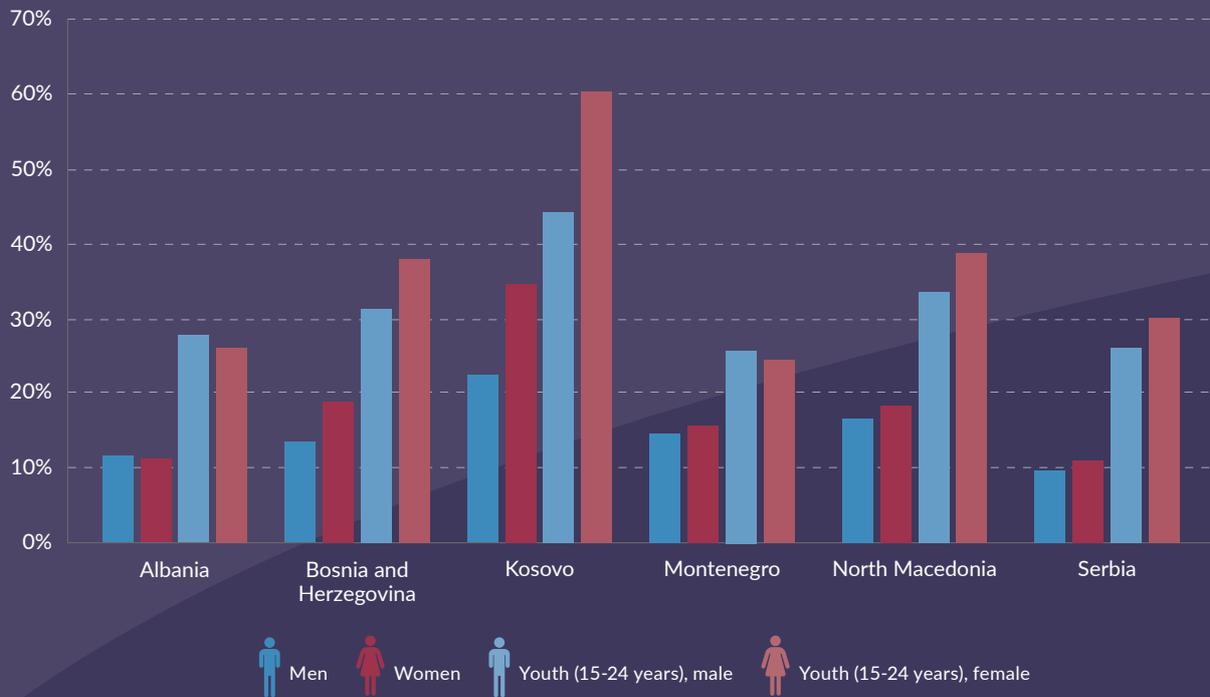
FIGURE 3 Unemployment data for the Western Balkans Six, 2019.

SOURCE: The World Bank, World Bank open data, https://data.worldbank.org/

Number of prisoners (male and female) in the Western Balkans
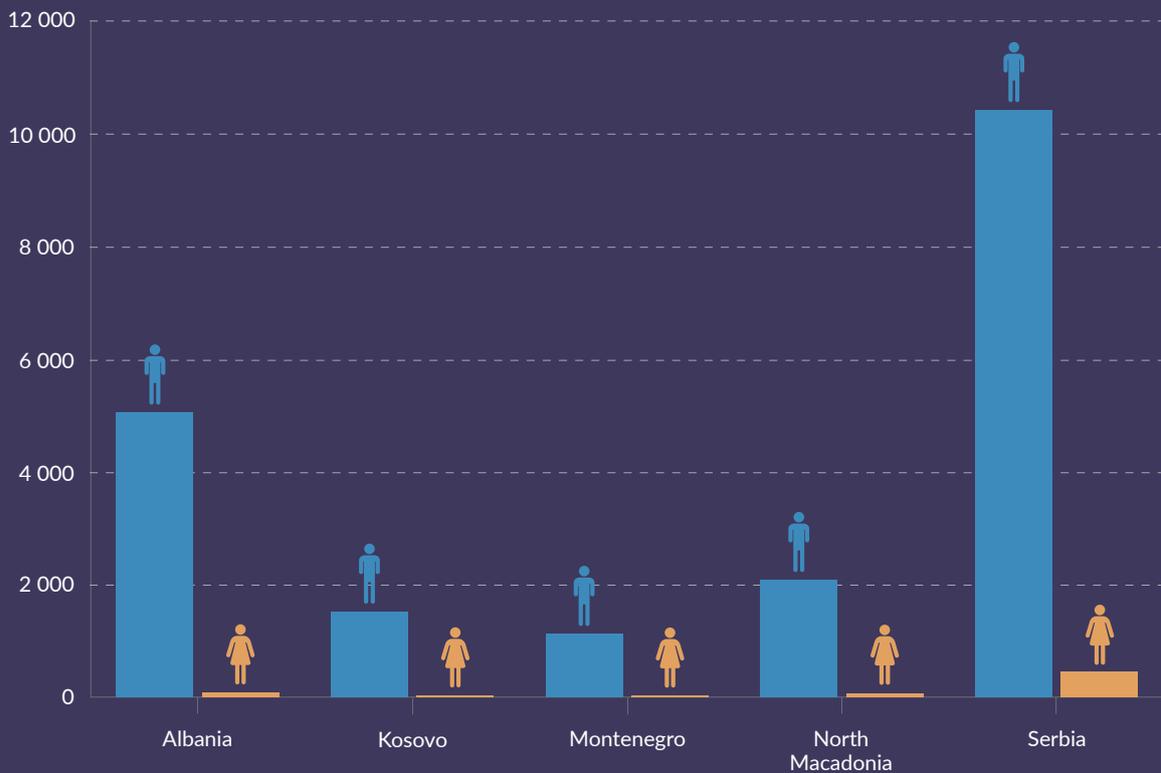
FIGURE 4 Prison populations in the Western Balkans, 2019.

SOURCE: M Aebi and M Tiago, Prison populations, SPACE I - 2019, Council of Europe, https://wp.unil.ch/space/files/2020/04/200405_FinalReport_SPACE_I_2019.pdf; Kosovo Correctional Services, Statistics, https://shkk.rks-gov.net

Young Albanian gang members flaunt material symbols of their status. *Source: Social media*

It is, however, clear that in the Western Balkans crime and masculinity are closely linked. Joining a criminal group can be attractive for some young men to feel empowered, and achieve status and wealth that are otherwise out of reach to them in their community. The image of crime, as it is distributed and shared on social media and popular culture, often portrays the gang member as being a tough, independent and powerful young man who became successful in his community or abroad, who is respected or feared among the local community and is a possible role model for young people to follow.[48]

Women, on the other hand, are traditionally regarded in the region as being the caretakers of the family. This concept thereby envisages women playing a limited role by assisting their men or engaging in organized crime through their involvement in non-violent or supporting tasks. These behind-the-scenes roles are less commonly the focus of law-enforcement efforts. In fact, the roles that women tend to play in organized-crime networks, together with gendered perceptions of criminality among law enforcement, may mean that women are under-represented in statistics on organized crime.

The limited focus on the role that gender plays in organized crime and the paucity of gender-sensitive data available in the Western Balkans make it difficult to accurately assess women's roles and involvement in criminal groups. But looking at organized crime through a gender lens not only helps to better understand the informal rules and rites that shape the gender-delineated roles for men and women, but also can contribute to designing appropriate countermeasures that can change attitudes, images and behaviours, and strengthen community resilience.

4. Phishing in North Macedonia

In 2016, North Macedonia gained notoriety when it was discovered that pro-Trump and anti-Clinton websites originating in the small town of Veles were disseminating fake news from dozens of other websites during the US presidential election.[49] Since then, the problem seems to have reversed, as North Macedonian institutions and businesses have become the victims of cyber attacks.[50]

Digitalization has opened up new opportunities, but also brought major risks. As more and more people shop, bank and communicate online, criminals are taking advantage of transactions in cyberspace to steal money and identities.[51] One of the most widely used types of internet fraud is commonly known as 'phishing'.

Phishing is a social-engineering technique used to steal data or commit fraud. It is done by sending fake ads via bogus websites to unsuspecting users. The ads typically contain sales promotions for various goods, including, for example, gadgets or vehicles at temptingly low prices. This is done to lure potential victims into sharing sensitive information, such as personal data, usernames and passwords, as well as payment-card and bank details. Recent cases in North Macedonia demonstrate how these criminals operate and their impact on small and medium-sized businesses.

As the example below shows, the URL address in the screenshot is fake: instead of 'facebook' in the URL, it reads 'fakebook'. When the user clicks on the link, his or her computer becomes infected with malicious software, which allows it to be controlled by a hacker.

In North Macedonia, a recent spate of cybercrime cases highlights vulnerabilities. Small- and medium-sized enterprises are increasingly moving online to attract more customers and to carry out business-to-business transactions. This trend has accelerated during the COVID-19 crisis. However, many of these businesses do not have special IT or security departments that can reduce their cyber security risks, nor do they sufficiently warn or train their staff about these threats.

North Macedonia's National Centre for Computer Incidents Response reports that during 2020 – particularly since the outbreak of the pandemic – they have detected a growing trend of phishing campaigns targeting users, including businesses.[52] Internet fraud in North Macedonia is mainly related to the illegal interception of business communication through emails between companies in the country and their business partners abroad.[53] The perpetrators pretend to represent a foreign company and provide a bank account for the payment. In this way, a legitimate payment from the company in North Macedonia to a foreign business partner is diverted to an account that is controlled by the criminals. These criminals are often hard to detect, as they frequently change the servers used for intercepting emails and the bank accounts into which the money is paid.[54]

Example 1: Customer receive e-mail

Dear customer!

In order to continue our cooperation, we would like to offer you a new collection for the summer of 2020.

On the following link, you can find our new catalog for 2020:
http://fakebook.com/catalog2020

Regards

Facebook team!
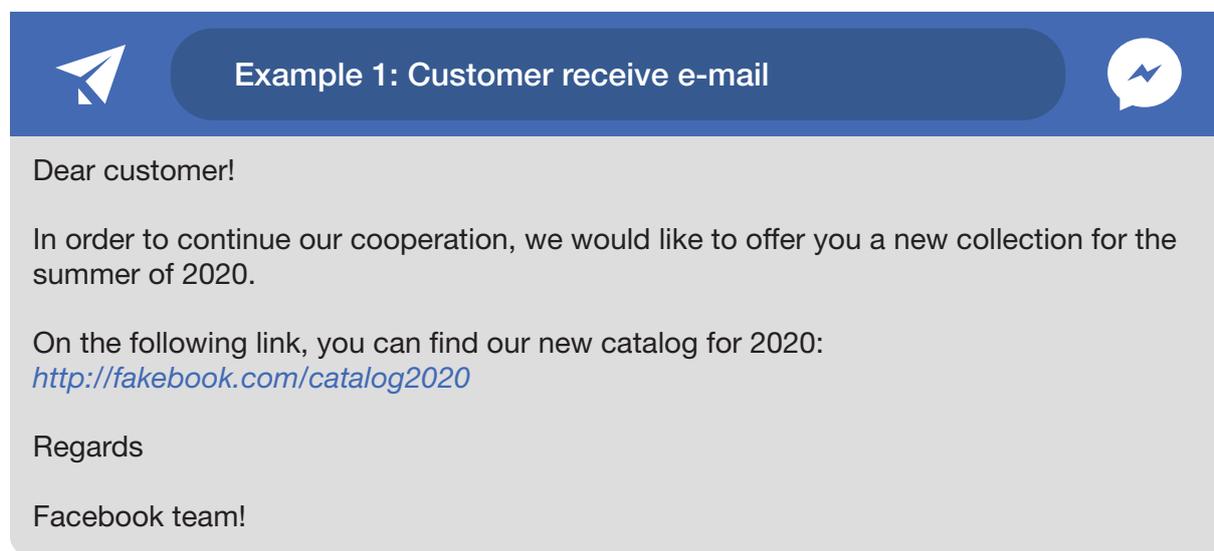
Screenshot of a phishing ad, North Macedonia
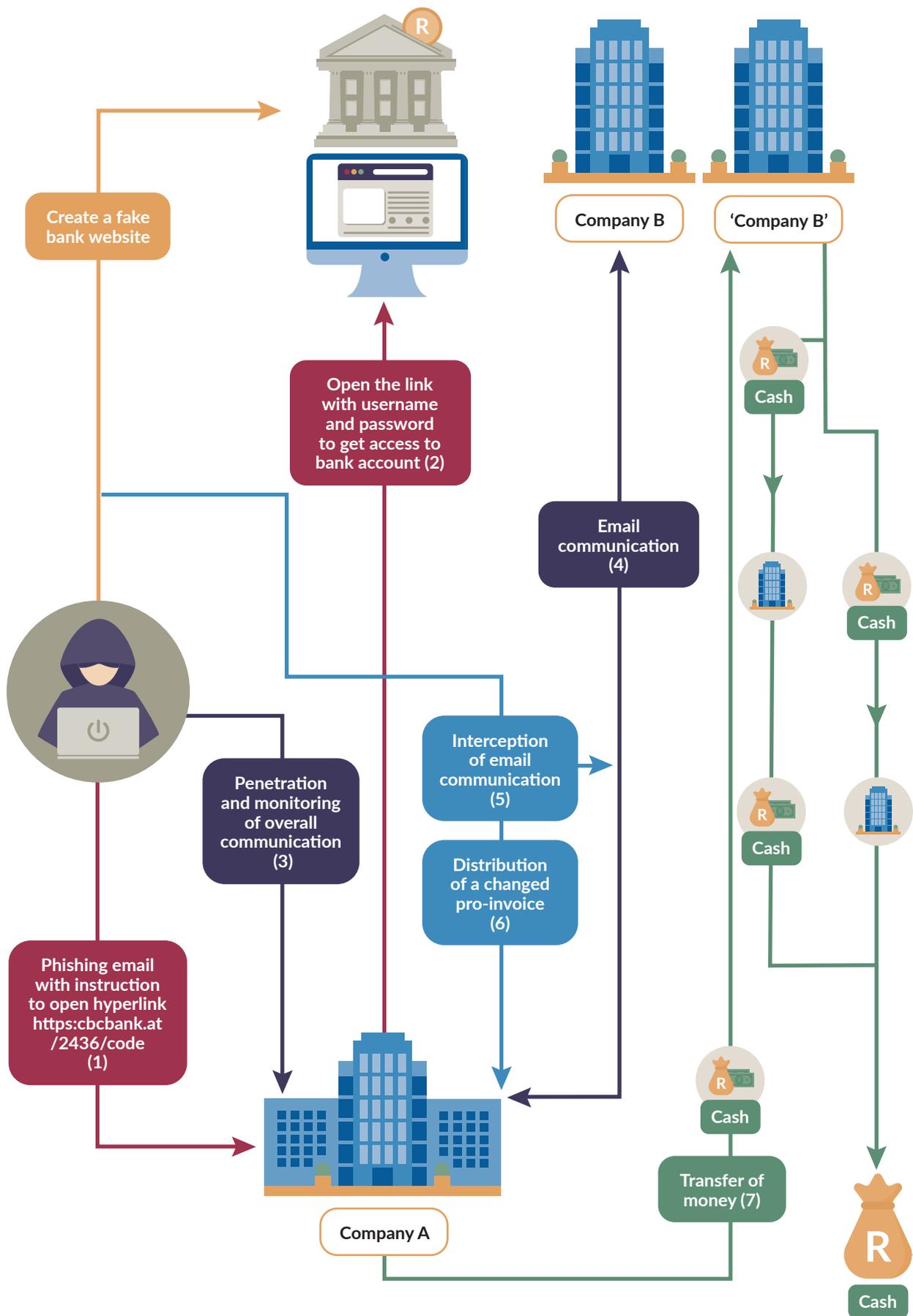
FIGURE 5 Typical stages in a phishing attack and interception of email communication.

Create a fake bank website

Open the link with username and password to get access to bank account (2)

Phishing email with instruction to open hyperlink https:cbcbank.at /2436/code (1)

Penetration and monitoring of overall communication (3)

Interception of email communication (5)

Distribution of a changed pro-invoice (6)

Email communication (4)

Company B

'Company B'

Company A

Transfer of money (7)

Cash

According to the North Macedonian police, this type of fraud has caused hundreds of thousands of euros worth of damage to the local economy.[55]

Two cases from the town of Gostivar illustrate the problem. In the first, a hacker managed to penetrate the software system of a company in Gostivar by intercepting email communication between the company and its business partners. In March 2016, a man from the Czech Republic introduced himself to the company in Gostivar as the owner of a company in Switzerland. He emailed the owner of the company in Gostivar, making several online business offers. The companies exchanged electronic invoices and communicated by email regarding the payment. The North Macedonian company then received an email that appeared to be from the Swiss company, but which was actually sent by a fake company. The email requested payment of the first instalment of one of the orders and provided banking details. The North Macedonian company was thus tricked into transferring €3 600 to the wrong bank account.[56]

In the second case, in 2017 a well-known import–export company narrowly avoided becoming a victim of a phishing scam when it discovered at the last minute that the emailed bank details for a €10 000 payment were different from the account previously used by their business partner.[57]

A cyber attack can not only prove costly to a business, but may also damage its reputation. The owner of a well-known company in Skopje lost €100 000 when a hacker managed to intercept email communication between his company and a business partner in Serbia.[58] The owner prefers not to publicize the story because clients and potential customers might avoid doing business with a company that is considered to be careless with its internal controls or has weak security. Companies can also be sued by customers whose data has been stolen through hacker attacks.

Large companies are not immune to cybercrime. In February 2020, the country's biggest mobile operator, Macedonian Telecom, reported a hacker attack aimed at mobile phone users in the T-Mobile network. The users were selected through a data breach and the subsequent attacks were carried out mainly by cyber thieves in Estonia, Lithuania and Nigeria.[59]

The hackers' methods are becoming increasingly sophisticated. In one case, they introduced themselves as 'Police forces of the Republic of Macedonia' using a fake email account (kontakts@moi.gov.mk) to send emails to physical and legal entities under the subject, 'you have been invited to a current investigation into a bank fraud'.[60] The email said: 'We are writing to inform you that you have been invited to the Police of the Republic of Macedonia regarding a current investigation into a bank fraud. Invitation details are included in the attached PDF document.' The hackers were so convincing because they included logos and text that looked like those used by official representatives of the Ministry of Interior, as well as an attachment that they claimed was a PDF. This attachment linked to a malicious file (mvr-31720.iso) through a URL address (https://nyschool.edu.sg/mvr-3170.iso). The malware (MSIL/Kryptik.DJ) was detected during the investigation. It is not known how many companies have been infected with this type of malicious software, so the extent of the damage cannot yet be assessed.

Although cybercrime is increasing throughout the Western Balkans, North Macedonia seems to be disproportionately affected. The country has been cited in past reports of the FBI's Internet Crime Complaint Center.[61] Indeed, the number of complaints per capita puts North Macedonia in second place in terms of cybercrime, just behind the US. North Macedonia is ranked first in terms of the number of cybercrime offences in relation to the estimated number of internet users.[62]

Incidents of cybercrime are on the rise in the Western Balkans, not least because of the region's increasing digitalization and the growing trend for online retail during the COVID-19 crisis. Customers and businesses alike need to be more savvy, while law enforcement and the private sector should look to step up their cooperation. The situation in North Macedonia needs special attention to deal with an outsized problem.

5. On breaking down silos, and 'untouchables': the Balkan Criminology network

Dr Anna-Maria Getoš Kalac, founder and co-chair of Balkan Criminology, and associate professor at the University of Zagreb's Faculty of Law, talks about strengthening networks and breaking down silos between academics, civil society, the media and criminal justice practitioners in the Western Balkans, and about the role of academia in fighting corruption.

Can you tell us about the Balkan Criminology platform: why is it needed and what does it do?

When I finished my PhD at the Max Planck Institute for the Study of Crime, Security and Law (in Freiburg, Germany), I looked for something similar in the Balkans. But most of the major criminology institutes in the former Yugoslavia were no longer active. So I tried to link up with like-minded peers in South Eastern Europe – people in my field to share ideas and work with. I also figured that since organized crime is transnational, to study it we needed a transnational response in the research community. Around ten years ago, I began searching for at least one meaningful contact in each Balkan country. And that was how Balkan Criminology started, as a network of young researchers. We did projects together, like mapping organized crime in the region, looking at victimology and investigating the situation in prisons. We met whenever possible for conferences, workshops and seminars. I think it helped that we had a different mindset from the older generation: we were not so interested in the region's recent history or in issues of ethnicity. We came together as researchers, academics, public prosecutors and people from civil society who wanted to learn from one another.

How do you explain the fact, or at least the perception, that there is a high incidence of organized crime in the Western Balkans but almost no research about it emanating from the region?

In academia there is a strong focus on publishing. Most of the respected international criminology journals are published in English. This is a handicap for people from

the Western Balkans who do not write well in English or cannot afford an editor. So, even if the few criminology experts from the region have good data, they seldom have the opportunity to publish it. Researchers from outside the region tend to publish, but often without their own empirical knowledge or a good understanding of the local situation. In between are the NGOs: they are rarely criminologists and are not held to the same publication standards as academics. But they know the region, have the possibility to publish in-house and have sufficient resources since they can draw on donor money. They do not rely solely on public funding, like universities.

Someone once described criminals from the Western Balkans as still operating in a 'Yugosphere'. When analyzing organized crime, do you consider the Balkans as a single criminological space?

Absolutely. The region is a *sui generis* criminal space, in that countries of the region have similar histories, legal frameworks and criminal markets. There are certainly common factors that distinguish the region from a sociological and criminological perspective. Unfortunately, for this reason the term 'Balkan' is often used pejoratively.

What are some of the challenges in bringing together people from different countries and disciplines who are studying and analyzing organized crime in the Western Balkans?

The main challenge to bringing people from the region together is a lack of resources. There are almost no other barriers. Even though there are relatively few academics,

investigative journalists and people from civil society in the region who focus on organized crime and corruption, they seldom get to meet. That is why, every year since 2014 – thanks to the Max Planck Institute and now the GI-TOC Resilience Fund – Balkan Criminology has organized a one-week course in Dubrovnik on crime research in the Balkans. In the Balkans, there is a strong tradition of people relying on personal contacts and networks. The same approach should apply to researchers working on organized crime and corruption. That is why this annual meeting is so important: to break down silos, make new contacts, learn from each other and meet informally.

Can you tell us about some of the challenges that you have faced in Croatia in terms of public research funding.

Corruption and the connections that dictate so much of the way things work in our region also affect whether your project receives public funding. We also face difficulties in applying for and administering research grants from abroad. In many cases, the processes are more cumbersome than our limited human resources can handle.

How would you characterize the situation of organized crime in the Western Balkans?

Criminal markets or groups in the Western Balkans are no more significant than those in other parts of the world. The biggest problem here is the impact of organized crime on the state. There are key businessmen who have close links to politicians and officials in the security sector. These people wield influence and power – I call them 'untouchables'. This type of organized corruption is the biggest threat to stability and governance in the Balkans.

How do you get more young researchers in the Western Balkans interested in studying organized crime? And how can education help to impart a culture of lawfulness and integrity?

The key is to develop a new generation of researchers and to bring them together through platforms like Balkan Criminology. We also need more inter-disciplinary contacts and joint projects. As for teaching a culture of lawfulness, I think you can make a difference at the university level, for example in the law faculty. But I am under no illusions: there are limits to what we can do if the whole system is corrupt.

The Balkan Criminology network, established in 2013, is designed to build resilience to organized crime and criminal state capture in South Eastern Europe. Supported by the GI-TOC Resilience Fund, the network brings together academics, journalists, criminal-justice professionals and NGOs engaged in the struggle against organized crime in the Balkans.

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