PRESS RELEASE

NEW REPORT REVEALS PRICES OF DRUGS AND MIGRANT SMUGGLING IN THE WESTERN BALKANS AND WHERE MONEY IS BEING LAUNDERED

New GI-TOC report Spot Prices: Analyzing flows of people, drugs and money in the Western Balkans provides a detailed overview of the prices and routes for drugs and migrants being smuggled through the Western Balkans and sheds light on the size of the profits generated and where the money is laundered.

**VIENNA, Austria – 10 May 2021:** The migrant smuggling market in the Western Balkans is worth at least €50 million a year, according to a new report from the Global Initiative Against Transnational Organized Crime. While this is well below amounts that were made at the height of the humanitarian crisis in 2015, it shows that there is still a sizeable market for migrant smuggling through the region despite efforts to close the “Balkan Route”.

***Spot Prices: Analyzing flows of people, drugs and money in the Western Balkans*** provides detailed information on prices and routes for smuggling migrants and drugs in the region. Using detailed maps and analysis, it identifies key entry and exit points for the **smuggling of migrants** through the six countries of the Western Balkans (WB6), as well as locations acting as drug trafficking hubs or drug markets. The COVID-19 pandemic does not appear to have significantly disrupted the illicit flows.

Concerning **drugs**, the report provides detailed maps of trafficking routes, highlighting the value chain as drugs move across borders, and showing the wholesale and retail prices of drugs in key hotspots in the region which are either trafficking hubs or drug markets. Emerging trends in the regional drug market include:

* Increased cannabis cultivation (particularly indoors) in countries other than

Albania, like Bosnia and Herzegovina, North Macedonia and Serbia;

* A major flow of cannabis from the WB6 to Bulgaria;
* An influx of cocaine from several directions, including Croatia, Greece and

Black Sea ports in Bulgaria and Romania;

* An increase in the production and use of synthetic drugs.

Many of the hotspots identified in this report – which are mostly in border regions – are prone to poly-criminality including drug trafficking and money laundering in addition to migrant smuggling. These locations are well-known and yet there are very few seizures of drugs – besides cannabis – or arrests of major criminals which suggests there is an umbrella of protection that enables, and profits from, the status quo.

The report concludes that “flows of people, drugs and money through the Western Balkans do not follow straight lines like vectors on a map”.

“They move, often in short distances, and take different paths depending on obstacles and opportunities”, says Walter Kemp, one of the report's authors.

“Traffickers, smugglers and money launders are attracted to low-risk entry points to borders, businesses and banking systems. Most transactions in the ‘underworld’ would not be possible without collaborators in the ‘upperworld’.”

The report also looks at sectors and hotspots where **money is being laundered**. For example, relatively small amounts of money are being laundered into cash-intensive businesses like restaurants, bakeries, catering businesses, bars and clubs, hotels and souvenir shops, gas stations, taxi companies, sports clubs, fruit and vegetable stands, and rental companies. Bigger money is flowing into constructive and real estate, gambling and tourism. The report points out that while illicit gains made in the region are often laundered there, criminal groups from the Western Balkans are making big money (particularly from drug trafficking) outside the region.

“The dirty money being made and laundered in the region is perpetuating an eco-system of crime and corruption,” says Kristina Amerhauser, one of the report's authors.

While the report provides details about prices and routes for smuggling migrants and drugs as well as illicit financial flows, it also highlights that more information is needed, particularly from official sources.

“It is striking how little authorities either know or were willing to share about data on drug prices, purity, seizures and consumption habits as well as money laundering,” says one of the report’s authors Ruggero Scaturro. “For policy to be evidence-based, we need more evidence – not only at a national level, but in hotspots and regionally.”

This report is the third in a trilogy of reports on organized crime “hotspots” in the Western Balkans. Previous reports include *Hotspots of Organized Crime in the Western Balkans: Local vulnerabilities in a regional context* (May 2019) and *Transnational Tentacles: Global Hotspots of Western Balkan Organized Crime* (July 2020).

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About the Global Initiative

*The Global Initiative Against Transnational Organized Crime is a network of professionals working on the frontlines of the fight against the illicit economy and criminal actors. Through a network of global civil society observatories on the illicit economy, we monitor evolving trends and work to build the evidence basis for policy action, disseminate the expertise of our Network and catalyze multisectoral and holistic responses across a range of crime types. With the Global Initiative’s Resilience Fund, we support community activists and local NGOs working in areas where crime governance is critically undermining people’s safety, security and life chances.*