
EXECUTIVE SUMMARY

The objective of this research is to highlight the emergence and evolution of organized criminal structures during the period 1990-2015 through a better understanding of the typology of Albanian criminal organizations, from their emergence at the beginning of the 1990s. This research aims to show the degree of sophistication of organized crime and the current situation in some of the country's main cities. The research study also identifies and analyses some of the economic and social factors that expose Albanian society to organized crime.

This study is essential to further research in this field but also serves as an analytical platform to inform policies that fight organized crime at the national and international level. This study comes at a critical moment with the "transition" that the rule of law is going through in Albania, such as the approval of the constitutional package of justice reform and the need to approve over 40 other laws in support of the reform. Recently approved have been *"On the legitimacy of persons elected, appointed or exercising public functions"* and *"On the organization and functioning of institutions in the fight against corruption and organized crime"*, as well as the Independent Investigative Unit. At the same time, of special importance has been the creation of bodies for the investigation of crime such as the National Bureau of Investigation.

In order to understand the circumstances in which the first forms of organized crime in the country emerged, we analysed various social, political and economic factors that were present after the change of the political system. Factors such as low per capita income (less than 20 dollars per month per capita in 1992), the almost threefold shrinkage of active enterprises (from 6,607 before 1993 to 2,759 in 1997), the weakness of state institutions in the face of rising illegal activities (average coefficient of criminal offences for the period 1994-2014 was estimated at 170.7¹), the presence and collapse of pyramid schemes (a total of 1.5 billion dollars invested), and the looting of armaments depots (550,000 weapons freely circulating) caused a massive wave of emigration (a shrinkage by 10 per cent of the general population during 1994-2014), chaos, feelings of insecurity, the establishment of parallel structures ('rescue committees'), corruption, criminality and the flourishing of organized criminal structures. Those who benefited from this favourable terrain were individuals with criminal backgrounds and armed gangs, which operated in a complex relationship with politics and business.

The study, after highlighting forms of organized crime from the time of the communist regime, such as the special unit "101K" for the smuggling of cigarettes, explains how former agents of the communist secret service - the Sigurimi, military officers, police officers, drivers who had had the opportunity to travel abroad as well as former sportsmen exploited their education, knowledge and connections with the diaspora to benefit from illicit activities such as smuggling and trafficking. Certain state and political segments, whether directly or indirectly, also became part of these illicit channels. In the course of the political transition, criminal organizations started to display different features over time, moving gradually towards sophistication.

Because of the special features of the evolution of criminal structures over the last few decades, the research is divided into two time periods (1990-2003 and 2004-2015) to aid understanding of their characteristics. The most dangerous criminal structures that operated in Albania until 2003 were reviewed in order to comprehend their nature as well as the factors that allowed and encouraged their emergence and rise. An analysis of judicial decisions against the leaders and members of these criminal structures provided an overview of certain characteristics such as knowledge/ties between them, the level of armaments and violence used, their interaction with law enforcement agencies, the prosecutor's office and the courts, as well as other features. Moreover, statements by experts and written sources testify to their ties with certain political parties and politicians in the country during the period

1. The criminality coefficient is a parameter that measures criminality in a given environment in relation to the population of that environment; in other words, it shows the degree of criminal offences (crimes or wrongdoings) against the number of people. As a rule, it expresses the number of crimes per 100,000 inhabitants. This is a calculation by the author based on data from the Ministry of Justice (Statistical Yearbooks 2004-2014) on the number of crimes and criminal offences, as well as on data from INSTAT on the population (which has been calculated based on population projections from the 2011 census data).

under analysis. Political party affiliation and interaction with politics was apparent with some of the armed gangs operating in regions such as Tirana, Durrës, Elbasan, Vlora, Korça, Berat, Fier, Lushnje and Tropoja.

Around 2003, the early forms of organized crime in the country began to evolve and adjust to the renewal of institutions, the enhancement of investigations, prosecutions and the fight against them. Predominantly after 2005, the former structures of armed gangs and criminal organizations were replaced gradually by criminal networks made up of autonomous groups that were very efficient and fluid, with roles and responsibilities in certain segments of illicit criminal activity.

Risk Analysis (2004-2015)

From 2003, organized criminal structures in the country started to become more sophisticated in response to the gradual strengthening of state institutions.

Some indicators of sophistication included the diversification of illegal activities they were involved in, the adjustment of horizontal patterns in the form of criminal networks, the increasing use of coded language, the use of special mobile phone numbers activated only for carrying out trafficking and the use of different couriers.

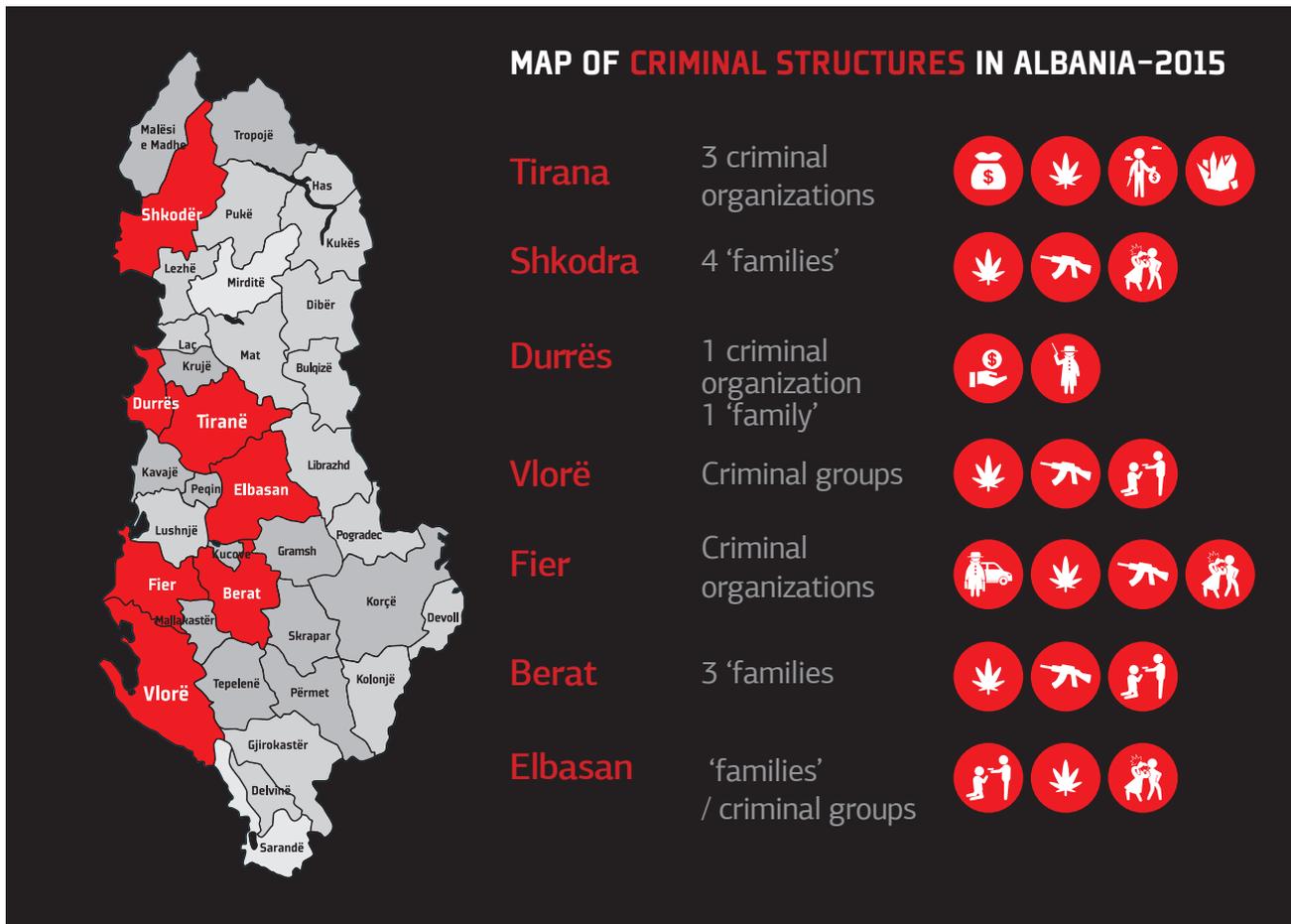
Later, from 2008 onwards, there was a noticeable strengthening of the position of Albanian groups in international trafficking networks, especially narcotics networks. Trafficking networks started to include roles not encountered before 2003, such as the guarantor (ensurer) and the funder (investor).

Another characteristic that appeared at this time was the use of legitimate businesses by organized crime as protective “façades” to hide and mask the trafficking of cocaine and other drugs.

During the period 2005-2015, one of the most widespread forms of cannabis trafficking was transporting it by small fishing boats in the open sea. Considerable amounts of cannabis were also transported via air routes, with instances of the use of light sports planes being documented in the media.

Another tendency towards sophistication was the shift from criminal groups targeting and striking against state institutions to creating strong ties with state segments, thus influencing both local and national politics.

Another aspect of the sophistication of criminal organizations was the integration of their criminal proceeds into legitimate businesses and their involvement in policymaking. The funding of elections with proceeds from illicit or suspicious activities warrants serious attention from political actors, law enforcement institutions and Albanian society.



Map of Organized Crime Groups (2015)

This research also gives an overview of the current criminal situation (2015), highlighting the most problematic criminal organizations in the country's main cities. The research study points out that almost all of the main cities of the country have structured criminal groups that have territory control and focus mainly on the trafficking of narcotics, extortion and debt collection (loan sharking).

Based on findings from interviews with experts and those informed about organized crime at the local level, the research study provides a description of the most powerful criminal organizations that currently operate in some of the main cities of the country.

Tirana

It is thought that there are at least three very powerful structured criminal organizations in Tirana that began their criminal activity early on and managed to resist arrest because of the sophistication of their ties with business and corrupt segments of the state. The first organization reportedly had its beginnings in 1994 with the main object of its activity being the laundering of criminal proceeds of international mafia. The second organization is suspected to have at least 27 members and its main target is the trafficking of narcotics, extortion and debt collection for third parties. The third organization is thought to have fewer members and to be less active, but with significant investments in minerals.

Shkodër

It is believed that there are at least four large “families”² operating in the city of Shkodra that are involved in criminal activity. These four families are mainly involved in the trafficking of narcotics, arms and human beings. Experts suspect that Shkodra may become the future “hangar” for growing cannabis and that this change may lead to the further strengthening of these criminal organizations. This empowerment could seriously jeopardize the stability of this area, given the fragile social equilibrium in the district.

Durrës

It is alleged that many criminal groups from all over the country have investments in the city of Durrës, and the city serves to some extent as a meeting point or even shelter for many of them. It is thought that a criminal organization run by individuals with a criminal history may have been reactivated. It is also believed that Durrës is home to a known “family” in the crime world, with influence not only in commercial activities, but also social ones.

Vlora

A characteristic of criminal groups from the city of Vlora is that, unlike groups that were active between 1992 and 1999 (Zani Çausi, Kakami, Gaxhai, etc.), there are no more divided territories. It has been noted that while murders in the city of Vlora are numerous, they are generally not over turf issues but over areas of influence in international trafficking networks for narcotics and arms to EU countries, mainly Spain and Italy.

Fier

Criminal organizations operating in the city of Fier, according to the majority of interviewees, are thought to be among the most sophisticated and most sustainable throughout the history of political transition in Albania. It is supposed that criminal groups in Fier, unlike those in other cities, are based not only on blood and social ties, but above all on community ties (e.g. Kosovar and Cham communities). It is thought that recently, high profile figures of organized crime with a criminal history and known leaders of criminal organizations in EU countries (Greece, Italy, Belgium and Spain) have invested their criminal proceeds in the city and are thought to be considerably expanding their influence in political parties, especially small ones.

2. The term “families” used in respect of organized crime indicates those criminal groups whose leading organizational structure is based on family ties according to a family hierarchy, starting from the head of the family (father or elder brother), followed by the younger brothers and cousins, down to social circles that mainly rely on neighbours.

Berat

The city of Berat is considered to be a city where organized crime has invested for a long time and continues to be present. It is suspected that criminal organizations in the city are mainly local and based mainly on strong family and social ties. It is rumoured that at least three “families” with strong criminal backgrounds have influence in the city.

Elbasan

The murders of February 2016 showed that the city of Elbasan remains a hot spot where the activity of organized crime is still present despite the dismantling of the two notorious gangs of “Mandela” and “Tan Kateshi”. A dangerous trend noticed in the city is that organizations of criminal groups there are being imitated by groups of youths in the surrounding rural areas. Considering the economic situation and education in the suburbs, there is a risk of a shift of criminal organizations with hierarchical structures to rural areas.

Summary of Main Findings

- Research on organized crime presents difficulties with the collection of data because participants in interviews are often reluctant to collaborate.
- There is a lack of data, research studies and official reports with regard to organized crime in Albania that has been made public.
- Low per capita income (under \$20/month per capita in 1992), the threefold reduction in active enterprises, the tripling of unemployment levels, the shrinkage by up to 10 per cent in the general population due to massive emigration fluxes, oil smuggling during 1992-1996, the disappearance of about \$1.5 billion from the pyramid schemes and the looting of armaments depots in 1997, have all induced feelings of public insecurity and encouraged illegal activities to flourish, including those relating to organized crime

- At the beginning of the 1990s, corruption and the infiltration of organized crime into weak Albanian institutions ensured the untouchability of figures involved in organized crime. A large number of these had worked in the past as secret service agents, officers of the Republican Guard, or even drivers or sportsmen during the previous regime.
- Organized crime, business, and politics have become intertwined in a complicated relationship of common interests and exploitation for mutual benefit.
- Criminal organizations have ties with politics, and the latter interferes by neutralizing law enforcement agencies through the appointment of trusted persons or party militants.
- The best known form of cooperation between criminal organizations and state bodies is corruption, especially in the justice system. According to interviewees, this is not a local phenomenon but is widespread in all those districts where organized crime is problematic.
- The following represent some of the nuances of the relationship between politics and crime, which has become more sophisticated over the years: extortion of revenues from businesses through fines or “protection” from other gangs; support for political candidates or scaring opponents in elections; the spoiling of opposition party rallies; the manipulation of votes and the funding of electoral campaigns in exchange for immunity from criminal prosecution as well as other benefits. Political parties have benefited from funds from criminal network figures.
- There is a disturbing trend of criminal organizations using business as a “façade” to hide criminal activity. This phenomenon appears more widespread in the area of cocaine trafficking.
- In different regions of the country, rivalry between armed gangs, although with turf control as the main motive, has often displayed political leanings. Members of criminal groups have served as commissioners in voting centres. In spite of the lack of investigations or judicial decisions, MPs and ministers have been the target of public accusations over their ties with organized crime.
- Organized crime has managed to neutralize society even in terms of freedom of speech, thus seriously violating the culture of reporting wrongdoings.

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- Although judicial decisions may refer to the luxury vehicles, assets and arsenals of sophisticated arms possessed by and used by defendants, it is disturbing that investigations and judicial decisions do not go deeper into the sources of such income, even though members of these criminal organizations have mainly been convicted of criminal offences such as murder and serious injury.
 - In the city of Tirana, at present, it is thought that at least three very powerful criminal organizations have been operating and extending their criminal activity for many years.
 - In the city of Shkodra, it is suspected that at least four large “families” are involved in the trafficking of mainly narcotics, arms and human beings. This district may replace “Lazarat” in terms of becoming the future “hangar” of cannabis cultivation.
 - In the city of Durrës, it is alleged that many criminal groups from all over the country may have investments, and that the city serves to some extent as a meeting point or even shelter for many of them.
 - Criminal organizations operating in the city of Fier are thought to be among the most sophisticated and sustainable organizations throughout the course of political transition in Albania.
 - In the city of Berat, it is suspected that at least three “families” with strong criminal backgrounds are exerting their influence.
 - It is suspected that numerous murders in the city of Vlora have been committed over areas of influence in international networks of narcotics and arms in EU countries, mainly Spain and Italy.
 - In Elbasan, it has been noted that groups of youths from surrounding rural areas are imitating criminal group organizations in the city.
 - Lastly, criminal organizations dealing with trafficking of hard drugs are using legitimate businesses to “cover up” their criminal activity.

Recommendations

1. Consider the possibility of intervening in the Criminal Code in order to introduce a new provision that condemns any form of mafia-type association (similar to Art 416 of the Italian Criminal Code) whose members try to benefit from the intimidating power of their connections in order to secure incomes and benefits such as monetary sums, control of businesses, licences and concessions, as well as securing votes during electoral processes.
2. Reform legislation to do with political parties and funding of electoral campaigns and political parties, in order to prevent funding from organized crime or suspicious sources.
3. Establish special interdisciplinary “anti-mafia” bodies to include experts from different fields (lawyers, finance specialists, IT specialists, etc.).
4. Strengthen investigations at the local level and include a serious crime prosecutor’s office in every district prosecutor’s office.
5. Strike corruptive forms and infiltration by organized crime at all levels, from those by public employees at the basic level, to those in managerial positions, leading officials and policymakers.
6. Establish databases with regard to the activities of organized crime and intensify investigations, increasing the effect of sequestration and confiscation decisions on assets of criminal origin; manage seized assets more efficiently and effectively.
7. Intervene immediately with facilitating and favourable socio-economic policies for the areas most affected by organized crime activities, as well as those that are the most remote and the most vulnerable.
8. Strengthen cooperation between state agencies and civil society to raise awareness about and prevent organized crime.
9. Build partnerships of specialized state agencies with experts and independent organizations in order to conduct research and analysis and draft evidence-based policies against organized crime.
10. Establish and update a unified database that prosecutors and judges can consult regularly on criminal precedents that should be taken into consideration and influence the level of punishment.
11. Review existing non-transparent internal regulations and practices in order to guarantee as complete access as possible to judicial decisions and files, especially when they are sought for research purposes by higher education institutions, civil society, the media and specialists in the field, while ensuring the anonymity of data to the extent that it is legally necessary.
12. Review the Criminal Code, specifically articles 237 and 238, to include as a criminal offence any physical or psychological attack against investigative journalists/civil society/researchers who carry out investigations or reports/studies in connection with corruption and organized crime. This is based on the fact that the role of civil society and the media are public roles when they concern issues in the public interest.

Methodology

It should be noted from the outset the difficulties encountered during the collection of data for this research study. From the standpoint of research experience, the interviews highlighted that criminal organizations today have managed to create a situation of fear in the community and this serves to weaken the culture of reporting wrongdoing in society and to neutralize law enforcement agencies. At present, there are criminal organizations that have managed to engage in politics, business, media and even social and education activities. Many of them control territories, have considerable investments and influence Albanian politics in an active manner. This means that powerful segments of organized crime are able to monitor and control appointments and, therefore, information too. As a result, many individuals who were asked to be interviewed hesitated or provided general responses, or refused. Others sent their responses electronically in order to avoid identification. In other words, the influence of organized crime has managed to neutralize society to the level of freedom of expression, thus seriously impeding the culture of punishability.

The study relied on qualitative methods in order to collect data that would enable enhanced knowledge of the context and sophisticated social factors that it would not be possible to capture through quantitative methods. Nevertheless, qualitative methods also present difficulties that may affect the analysis, such as small samples or the dependence on interviewees.

The research relied on three main resources:

- 1)** Analysis of 71 decisions of the First Instance Court of Serious Crimes for about 50 criminal structures, based on geographic and time divisions that would allow a complete analysis of the development of organized crime during the period 1990-2015. We chose to analyse 25 criminal organizations operating in the period 1990-2003 and 25 criminal organizations operating in the period 2004-2014. It should be noted that for these periods, the research study refers to the date the court decisions were issued. In other words, the activities of these criminal organizations would be somewhat earlier than when the decision was issued (e.g. the decision on one organization was issued in 2012 but its operations extended over the period 2007-2009). At present, there are many criminal groups that are still under adjudication and are not included in this report, such as the “TNT Gang” and the “Gang of Paid Killers”.
- 2)** Analysis of about 84 interviews, 44 of which were conducted in 2014. These were supported by 40 special semi-structured interviews over the period 2015-2016 with experts (judges, prosecutors, lawyers, former judges, and former police officers), investigative journalists, and representatives of civil society in the cities of Tirana, Durrës, Elbasan, Shkodra, Korça, Lushnja and Vlora.
- 3)** Analysis of five case studies on specific groups based on criminal organizations belonging to the two research phases (1990-2005 and 2005-2015). In order to better comprehend the social context and dynamics of the time, these cases were taken from five different regions of the country: Shkodra (North); Elbasan (Midlands); Korça (Southeast); Lushnja and Vlora (Central/South).