



Marine Ports and Organized Crime

BUILDING A SAFE AND RESILIENT CANADA

While enforcement measures have resulted in a number of successful seizures, Canada's largest marine ports remain vulnerable to the smuggling of inbound precursor chemicals, illegal drugs and counterfeit goods.

This report involved a literature review and interviews. There was no attempt to speculate on the volume of drugs or other contraband smuggled through these Canadian marine ports due to internal conspiracies. However, the authors noted that historically some of the largest smuggling cases investigated by police involved corruption at Canadian commercial marine ports.

Organized criminal (OC) groups have two main uses for marine ports: (1) profit-oriented crimes that generate revenue such as importation of illegal drugs, counterfeit goods (tobacco products, pharmaceutical products, clothing), and illegal immigrants, and cargo theft; and (2) tactical support crimes to facilitate their profit-oriented activities. This involves corruption of, and to a lesser extent intimidation of, industry insiders, security and law enforcement personnel. Stolen cars and domestically produced synthetic drugs were cited as the most frequent illegal goods exported through Canadian commercial marine ports.

Through the literature review and interviews, the authors identified methods and techniques used by OC groups to facilitate their activities in marine ports. These included: (1) smuggling methods and concealment techniques, such as use of shipping containers, concealing contraband among legitimate imported goods by using fraudulent shipping documents, use of transit countries, and cooperation among different criminal groups; (2) corruption and internal conspiracies using corrupted labourers, often in influential positions critical to unloading, moving, and storage of marine containers, as well as those who prepare the necessary documents for off-loading and

inter-modal shipping in marine port terminals; (3) intimidation of dock workers and law enforcement personnel for unfettered movement of contraband-filled containers.

Since 2005, OC activity in the largest commercial marine ports included: (1) increased precursor chemical shipments for domestic synthetic drug production; (2) export of domestically-manufactured synthetic drugs to marine ports abroad; and (3) large-scale import of counterfeit consumer products, particularly cigarettes. The authors observe that these trends are linked to three inter-related factors: (1) most precursor chemicals and counterfeit goods are frequently shipped from China, (2) the Port of Vancouver is the principal marine gateway into Canada, and (3) inbound (precursor chemicals) and outbound (synthetic drugs) smuggling is largely controlled by Chinese criminal networks.

The authors concluded that Canada's three largest commercial marine ports located in Halifax, Montreal and Vancouver are the most vulnerable to both inbound and outbound smuggling due to the sheer volume of container traffic processed annually. This volume of traffic reduces the likelihood of contraband being inspected, detected and seized. These marine ports were also identified as significant conduits for smuggling since established and sophisticated OC groups are based in the host cities of Montreal and Vancouver.

Factors such as the high volume of traffic, reduced likelihood of inspection, existing storage protocols within container terminals permitting storage of domestic and international containers (as well as empty containers) in the same compound, contribute to the vulnerability of the marine ports to OC groups. Moreover, the challenging physical layout and spatial characteristics of these marine ports add to the difficulty of providing adequate security and law enforcement.



The authors also identified a number of successful enforcement measures. Specifically, the use of intelligence gathering, risk-based targeting, technology-based inspection, and manual searches by trained personnel which has resulted in a number of seizures. Expanded use of these measures, however, is constrained by the availability of sufficient resources.

Cases involving inter-agency cooperation and coordination have been effective against smuggling operations. Formal and informal cooperation between law enforcement agencies is seen as an important factor in a number of successful enforcement outcomes. Despite advances made to date, the authors assert that current law enforcement resources continue to be insufficient relative to the scope of smuggling taking place.

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