

## **Tackling Russia's malign influence in Italy – criminal and border control issues of likely or possible significance**

These points are suggested for consideration in the context of the Italian Cluster's report to be presented at IOS today and to hear the views of the Cluster Team regarding their value or otherwise and the feasibility of making use of them within Italy and beyond, perhaps particularly in the Western Balkans and Greece, but also in Spain and Romania Moldova, particularly the two latter, given the linguistic links.

Romanian / Moldovan criminality has certainly been linked with Italy for these reasons and on to Spain and Portugal where they have been involved in organised and in relation to fraud such as cloning and theft of bank and credit cards, highly sophisticated criminality involving intensive internal security and anti-surveillance. In Italy Romania and Moldova have been used by higher level white collar criminals for classic tax ( VAT carousel) and excise goods frauds. As many of these are dependent on falsification of exports, these schemes often involve the use of Transnistrian Moldova as an information dark hole. This therefore means similar use of Ukraine in the Odessa region, and thus involvement of the Odessa Network which has close links with Russian white-collar criminals and high-level persons in Russia itself. The “ outstanding” example of this has been the Banca di Economii case in 2015 in Moldova, where very large sums were embezzled by a Moldovan group with political connections, entitlement to Israeli citizenship, and with the UK ( Edinburgh) being used as a money transit country ( BBC Radio 4 File on Four Oct 2015: The Billion Pound House). Organisations such as Europol have recently given very high publicity to these developments, but only in a tactical sense. The evidence for systematic greater Mediterranean networks has not really been followed up.

Nowhere has this understanding gap been seen in relation to the Black Sea – and hence Russian speaking – cocaine trafficking trade, to Romania or Odessa and then via Moldova and Romania. For well over a decade now small vessel seizures of large consignments have frequently involved Ukrainian and Russian crews. More recently, but still for some time, consignments by container have typically transhipped in Gioia Tauro in Calabria. It is this commentator's views that the failure to look strategically at the potential links between Russian speaking politically protected groups and the Italian Mafias (Cosa Nostra, Camorra in Naples, the Apulian Mafia but well above all the Calabrian Mafia) is a major law enforcement failure. The cocaine trade to Europe is now a Greater Mediterranean trade, albeit often monitored from Spain and Portugal, and the Calabrian Mafia is the key Italian link in the onward connections to the Black Sea.

Prof. John Smillie of UCL has also addressed this in recent books and a BBC documentary series c. 2014.

Clearly, the league in the North is likely to be able to build upon historic links with Russia, going back well beyond Berlusconi. The League's anti-immigrant and culturally conservative views will find solidarity from Putin's Russia. Given that the north is the centre of industry, links from the 1960s when Fiat invested heavily in Russian production could be exploited at the high level, white collar sector. There was, of course, a longstanding KGB presence in Italy during the Cold War and there is the large and developing world-oriented UN FAO in Rome (and UNESCO??) .

Oil and gas should certainly not be ignored, given the ENI oil co.'s extensive investments in the Kazakh Caspian Sea oil and gas field. Potential for compromising by tax evasion, bribery and the blackmail potential of that, and use of dubious hospitality (including prostitutes) on luxury yachts, a sector in Italy which has long been linked with high level tax evasion using offshore companies, the

organisers of these likely being also used for Magnitsky type Russian schemes too.

Italy has extensive technical capabilities in the defence sector, above all in naval matters. Consideration should be given to potential Russian speaking ( Black sea) attempts to recruit former Italian naval special forces ( 10<sup>th</sup> Flotilla) for commercial operations by Russian private security companies. Above all, there may be an espionage risk in relation to Italy being an active operator of German made AIP submarines, which are very much cutting-edge technology.

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