

UNAFEI NEWSLETTER

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AND THE TREATMENT OF OFFENDERS

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LETTER FROM THE DIRECTOR

It is my privilege to inform readers of the successful completion of the 128th International Training Course on “Measures to Combat Economic Crime, Including Money Laundering” which took place from 30 August to 7 October 2004. In this Course, we welcomed 16 overseas participants: 11 from Asia, 2 from Africa, 2 from the Pacific and 1 from Europe; and 8 Japanese participants. They included police officers, investigators, public prosecutors, judges, a probation officer, a correctional officer, an officer of the Coast Guard, an officer of the Narcotics Control Department and other high-ranking public officials. We were delighted to welcome back a participant from Afghanistan after an absence of 25 years and to welcome our first participant from Albania. As this newsletter demonstrates, the Course was extremely productive. It consisted of individual presentations, group workshop sessions, visits to relevant criminal justice agencies, and presentations by visiting experts and faculty members.

Economic crime is a serious problem not only for individual states but also for the international community as a whole. It has become a more serious problem because it often takes place beyond national borders. The globalization of the economy and the spread of communications technology have given criminals new and easier opportunities to commit crime transnationally.

The international community has become increasingly aware of the great potential for harm that economic crime poses. The United Nations has granted priority to combating economic crime and has adopted the following Conventions in order to effectively deal with the problem. The UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances 1988, which requires State Parties to criminalize money laundering; the UN Convention against Transnational Organized Crime 2000, which provides for practical measures to tackle transnational organized crime, and requires State Parties to extend the scope of predicate offences of money laundering beyond drug trafficking to all serious crimes; and the UN Convention against Corruption 2003 which requires State Parties to criminalize bribery of foreign public officials. Other international fora have also addressed this issue such as the Financial Action Task Force (FATF), which developed the standards known as the Forty Recommendations that set out a blueprint for countries to implement effective anti-money laundering programmes. In addition, regional initiatives have been taken including the Asia/Pacific Group on Money Laundering (APG), which facilitate the implementation of internationally accepted money laundering standards; the Council of Europe Select Committee on Experts on the Evaluation of Anti-Money Laundering Measures (MONEYVAL); and the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG).

Next year the 11th UN Congress, “Economic and Financial Crimes: Challenges to Sustainable Development” which includes a workshop on the “Measures to Combat Economic Crime, Including Money laundering” is scheduled to take place and UNAFEI, in collaboration with the Government of Sweden, is going to coordinate this Workshop. In view of the increasing threat that economic crime, including money laundering poses and our involvement with the topic at the 11th UN Congress in 2005, UNAFEI decided to hold this International Training Course.

During the Course, the participants diligently and comprehensively examined measures to combat economic crime, including money laundering. This was accomplished primarily through a comparative analysis of the current situation and the problems encountered in tackling these issues. By sharing and

discussing practical examples, which the participants provided, they were able to explore and put forth effective and practical countermeasures against such crimes.

I would like to offer my sincere congratulations to all the participants upon their successful completion of the Course, made possible by their strenuous efforts. My heartfelt gratitude goes to the visiting experts who contributed a great deal to the Course's success. Furthermore, I appreciate the indispensable assistance and cooperation extended to UNAFEI by various agencies and institutions, which helped diversify the programme.

A warm tribute must be paid to the Japan International Cooperation Agency (JICA) for its immeasurable support throughout the Course. At the same time, I must express great appreciation to the Asia Crime Prevention Foundation (ACPF) and its branch organizations for their substantial contributions. Lastly, I owe my gratitude to all the individuals whose unselfish efforts behind the scenes contributed significantly to the successful realization of this Course.

Upon returning to their home countries, I genuinely believe that, like their predecessors, the strong determination and dedication of the participants will enable them to work towards the improvement of their respective nation's criminal justice systems, and to the benefit of the international society as a whole.

Finally, I would like to reiterate my best regards to the participants of the 128th International Training Course. I hope that the experience they gained during the Course proves valuable in their daily work, and that the bonds fostered among the participants, visiting experts, and UNAFEI staff will continue to grow for many years to come.

October 2004



Kunihiko Sakai
Director, UNAFEI

THE 128TH INTERNATIONAL TRAINING COURSE
“MEASURES TO COMBAT ECONOMIC CRIME, INCLUDING MONEY
LAUNDERING”

Course Rational

Economic crime is one of the most serious problems that the international community is now faced with. Economic crime includes a broad range of illegal activities: from conventional types such as fraud, embezzlement, breach of trust and corruption to newly recognized types such as offences in which criminals abuse the financial system; offences against free and fair trade; violation of intellectual property rights; fraudulent price manipulation and insider trading in the stock/financial markets; and money laundering. These new types of crimes, especially large-scale cases, have drawn the public's attention recently. Economic crime also covers many activities instrumental to the above mentioned offences, such as forgery of documents and payment cards and computer related crimes, especially the misuse of the Internet. Economic crime furthermore encompasses corporate crimes including window-dressing, tax evasion and violation of regulations, and on the other hand, consumer fraud such as pyramid schemes which can often involve many victims. In addition, the definition and the scope of fraud itself differs from one country to another, and in some countries, fraud embraces a very wide range of dishonest activities. Furthermore, experience has shown us that these various forms of economic crimes are often interwoven and interrelated; for example, a criminal group may be involved in fraud or embezzlement using various fraudulent methods in collusion with corrupt public officials or company executives, and then launder their ill-gotten money.

The reason why economic crime has become more serious is that it now often takes place beyond national borders. The globalization of the economy as well as rapid development and the worldwide spread of communications technology, including the Internet has offered to criminals new and easier opportunities to commit economic crime transnationally. Economic crime sometimes creates a great number of victims and substantial loss, leads to the bankruptcy of companies, and can also cause great loss to public property. Besides such direct damage, this crime may pose a deleterious impact on legitimate business, undercut the confidence in and reputation of the financial system, destabilize the market economy and ultimately undermine the sound socio-economic development in each country. One of the characteristics of recent economic crime is the complex and sophisticated nature of its modus operandi. The use of high technology has been growing drastically; criminals fully exploit the Internet and electronic commerce, for example, they conduct multiple frauds against many victims simultaneously, and carry out identity theft and identity fraud as well as consumer fraud and auction fraud using fraudulent or fake web sites. The transnational nature of this crime hampers its detection, and makes the tracing and return of the proceeds of crime much more difficult. In addition to that, evidence which is preserved in computers can be instantaneously altered or destroyed.

Another remarkable characteristic is that most economic crimes are committed on a large scale by groups in a well-organized fashion, and such groups range from organized criminal groups to legitimate companies. In such cases, it is difficult for the authorities to gather information from insiders and to see the whole picture of their illegal activities, which hinders the authorities from bringing the leaders to justice.

Among the economic crimes, money laundering should be our main focus. Criminals, whose ultimate purpose is to make money, always conceal and launder their ill-gotten proceeds and then reinvest them into further illegal activities or into legitimate business to make even more profits.

According to research by the United Nations and others, estimates of the amount of money laundered globally in one year range from between \$500 billion and \$1 trillion. Money laundering is one of the economic crimes, which can undermine the integrity and stability of legitimate economic and financial systems. It also poses an immeasurable threat to the sound development of countries' economic and financial systems and it may even threaten the stability and the security of the government as well. In addition, due to its transnational nature, money laundering has a negative impact on the international economic and financial system.

Furthermore, money-laundering techniques have become increasingly sophisticated and complicated. For example, criminals cunningly use shell corporations and off-shore financial centres as a safe haven for illicit funds. They target countries and areas where the regulations and law enforcement are not effective. In recent years, the involvement of professionals such as lawyers and accountants is of great concern. With stricter examination of customers by financial institutions, criminals often use alternative remittance systems such as underground banking in order to evade the laws and regulations.

The United Nations has granted priority to combating economic crime so as to address this global issue effectively. The United Nations adopted the UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances in 1988, which requires State Parties to criminalize money laundering and take necessary measures to trace, freeze and forfeit the proceeds in relation to drug offences. The United Nations also adopted the UN Convention against Transnational Organized Crime in 2000, which comprehensively provides for various practical measures to effectively tackle transnational organized crime, and requires State Parties to extend the scope of predicate offences of money laundering beyond drug trafficking to all serious crimes. Where economic crime is committed in an organized way, this Convention is applicable and the countries can combat it in a concerted manner based on it. The United Nations furthermore adopted the UN Convention against Corruption in October 2003, which requires State Parties to criminalize bribery of foreign public officials and to facilitate the return of government assets to the country of origin. This Convention provides for a comprehensive strategy against corruption, including preventive measures, and this is applicable to economic crime in connection with corrupt practices in the public sector.

At the 11th UN Congress to be held in Thailand (Bangkok) in 2005, the provisional agenda "Economic and Financial Crimes: Challenges to Sustainable Development" has been approved, and a workshop on the topic of "Measures to Combat Economic Crime, Including Money laundering" is scheduled to take place. In view of the magnitude of this topic, UNAFEI, in collaboration with the Government of Sweden, is going to coordinate this Workshop and is now in the process of preparing for it. This Workshop will include a panel discussion to be made by several experts based on a hypothetical case scenario of economic crime. This will provide an opportunity to exchange best practices and information in the fight against economic crime among countries, including improvement of legal frameworks, innovative practical approaches and international cooperation.

The other international fora have also actively addressed this issue, especially the Financial Action Task Force on money laundering (FATF) established by the G-7 Summit in 1989, which developed the international standards known as "The Forty Recommendations", which set out a comprehensive blueprint for countries to implement effective anti-money laundering programmes. The FATF examines the 29 member countries and territories' progress in implementing "The Forty Recommendations" through self-assessment and a mutual evaluation procedure, and also publishes a list of Non-Cooperative Countries and Territories to encourage those countries to improve their programmes. "The Forty Recommendations" was revised in 2003 in order to strengthen the mechanisms to control money laundering, reflecting new best practices. In addition, since 1997 regional initiatives have been taken, for example the Asia/Pacific Group on Money Laundering (APG) has addressed this issue to facilitate the implementation of internationally accepted money laundering standards.

Each country has to recognize the gravity of this new challenge and tackle economic crime, including money laundering with more effective countermeasures. To begin with, we need to examine ways to improve investigation, prosecution and trial. First we should take into consideration the establishment of a special investigation unit or agency consisting of experts who have sufficient expertise and capacity to appropriately tackle complicated economic crimes. Secondly, considering that influential politicians and high-ranking public officials may sometimes be deeply involved in economic crimes, the investigative agencies should act independently so as not to be influenced by them. Thirdly, concerning the investigative methods, in addition to the improvement of conventional methods, new types of investigative techniques such as interception of communications and undercover operations should be introduced and utilized. Moreover, it is necessary to consider introducing a system of protection of whistle-blowers and/or immunity for the purpose of collecting information and critical statements. It is also imperative to establish enforceable measures to collect records from financial institutions and not to be hampered by bank secrecy laws. Fourthly, at the trial stage, in some cases where witnesses are reluctant to testify due to fear of retaliation by the offenders or criminal groups, we need to explore measures for securing their testimony, such as a witness protection programme.

Next, we need to review and strengthen our legal framework to combat various types of emerging economic crimes, and to discuss the punishment of legal persons. There are various views in respect of the imposition of sanctions against economic crimes: for example, some say that criminal sanctions against economic crime are too lenient, and others say that civil or administrative sanctions should be utilized more in combination with criminal punishment. Since we need to pay due attention to various factors, it is important to determine what kinds of sanctions against economic crime are more effective and should be taken.

Because economic crime is committed in order to gain profit, it is most effective and critical to deprive criminals of the proceeds of crime. By doing so, we can deprive criminals of their incentive to commit crime. It is therefore imperative to establish an appropriate legal framework for the forfeiture and confiscation of illegal proceeds as well as for freezing their funds. To this end we have to strengthen and implement the mechanisms for tracing money both domestically and internationally when it is transferred overseas.

It is also necessary to establish mechanisms to combat money laundering such as to: promote customer due diligence (CDD) measures in the financial institutions such as identifying the beneficial owner to prevent anonymous accounts being opened; impose a legal duty on financial institutions to make suspicious transaction reports (STR) to the designated authority; establish a Financial Intelligent Unit (FIU); and ensure that designated law enforcement authorities have responsibility for money laundering investigations.

Due to the global nature of economic crime, the harmonization of countermeasures by all countries and international cooperation is indispensable, especially so as not to create safe havens for criminals and their illicit proceeds. If some countries do not join our concerted battle, the illicit money will flow into those countries to be laundered. In this context, each country needs to work together by implementing the above-mentioned international standards. In addition, we have to make every effort to explore better ways to ensure that international cooperation, including information exchange mechanisms and mutual legal assistance and extradition is carried out in a more effective and expeditious manner.

On the other hand, the importance of “prevention” of economic crime cannot be overlooked. Every government and corporation should be required to establish a legal and/or organizational system of “good governance” so that transparency and accountability is ensured. It is worthy of consideration to introduce independent monitoring organizations and/or an ombudsmen system for this purpose. Additionally public awareness and education in relation to economic crime is essential.

In consideration of the above, UNAFEI, as a regional institute (affiliated with the United Nations) for the prevention of crime and the treatment of offenders, is holding the 128th International Training

Course on the theme of “Measures to Combat Economic Crime, including Money Laundering”.

Giving due consideration to the above rationale, this Course will explore effective countermeasures against economic crime including money laundering. By sharing and discussing lessons and practical examples which the participants will provide, we will be able to explore more effective countermeasures against it.

In this Course, “Economic Crime” will not include illicit drug trafficking or trafficking in human beings. The predicate offences of “Money Laundering” will include any offences and we will discuss money laundering relating to illicit drug trafficking or trafficking in human beings, however, we will not discuss the situation and countermeasures against illicit drug trafficking and trafficking in human beings itself because we would like to focus our discussion on economic crime and money laundering. Please refer to the offences which are mentioned in Paragraph 1 of the above “Rationale” as economic crimes, although we have not made a list of included and excluded offences.

In the discussions of this course, focus will be placed on the following elements: In the group workshops, we will discuss a hypothetical case scenario which UNAFEI will prepare, and it will include various issues relating to (2)-(4) of the following.

(1) Current situation of economic crime including money laundering:

Actual situation of this crime in each country, what serious offences are committed in each country, modus operandi, case examples, recent trends and problems which each country encounters, etc.

(2) Effective methods for investigation, prosecution and trial regarding economic crime, including money laundering:

(a) The measures for ensuring the effectiveness of investigative agencies

(b) Effective measures to collect information (including utilization of informants)

(c) Effective utilization of traditional investigative methods

(d) The measures for ensuring effective investigation of banks (including bank secrecy issues)

(e) Utilization of new investigative techniques, such as

- Controlled delivery

- Electronic surveillance and communications interceptions, etc

- Undercover operations

- Immunity

(f) Protection of witnesses (both at the investigative stage and the trial stage)

(g) Other effective methods

(3) Legal frameworks for controlling economic crime including money laundering, problems regarding its implementation and solutions (discussions will be held from the viewpoint of the implementation of international standards such as the UN Convention against Transnational Organized Crime (hereinafter “TOC Convention”), the UN Convention against Corruption (hereinafter “Corruption Convention”) and “the Forty Recommendations” developed by the FATF):

(a) Legal framework for the punishment of money laundering and other forms of economic crimes (Arts. 5, 6, 8 and 23 of TOC Convention, Arts. 15-29 of Corruption Convention and Art. 1 of the Forty Recommendations)

(b) Punishment and sanctions (including civil and administrative sanctions) against legal persons (Art. 10 of TOC Convention, Art.26 of Corruption Convention, Arts. 2 and 17 of the Forty Recommendations.)

(c) Establishment of the suspicious transactions reporting system, and the introduction of and the activities of Financial Intelligence Units (FIU) (Art.7 of TOC Convention, Art. 14 of Corruption Convention and Arts. 13-16 and 26 of the Forty Recommendations)

(d) Cooperation by banks and non-bank financial institutions (Art. 12 (6) of TOC Convention, Arts. 31(7) and 40 of Corruption Convention and Art. 28 of the Forty Recommendations)

(e) Confiscation of the proceeds and assets derived from crimes, criminal/civil forfeiture, freezing systems, collection of the value of the proceeds, asset sharing and other related systems (Arts.

12-14 of TOC Convention, Art. 31 of Corruption Convention and Arts. 3 and 38 of the Forty Recommendations)

- (f) Asset recovery, especially the return of assets out-flowed to foreign countries (Art. 14 (2) of TOC Convention, Chapter V, especially Art. 57, of Corruption Convention)
- (g) Shifting the burden of proof to the defendant, and any other methods of alleviating the prosecutors' burden of proof (Art. 12 (7) of TOC Convention, Art. 20 of Corruption Convention and Art.3 of the Forty Recommendations)
- (h) Other anti-money laundering systems/strategies (Art. 14 of Corruption Convention and Arts. 5-12, 18-20 and 23-25 of the Forty Recommendations)
- (i) Measures to strengthen international cooperation, including information exchange and joint investigations (Arts. 16-20, 27, 28 and 29 of TOC Convention, Chapter IV of Corruption Convention and Arts. 36-40 of the Forty Recommendations)
- (4) Preventive measures against economic crime including money laundering:
 - (a) Administrative regulation of economic activities
 - (b) Corporate governance (e.g. audit systems, outside directors and disclosure systems, etc.)
 - (c) Establishment of a system of monitoring economic activities (e.g. Securities and Exchange Surveillance Commission for securities crime, reporting obligations, inspection and correction orders, etc.)
 - (d) Public awareness and other educative measures.

Course Summary

Lectures

In total, five lectures were presented by visiting experts and six by the professors of UNAFEI. Four distinguished criminal justice practitioners and scholars from abroad served as UNAFEI visiting experts. They lectured on issues relating to the main theme, and contributed significantly to the Course by encouraging discussions after their own lectures, participating in the discussions of other programmes, and conversing with the participants on informal occasions. The lecturers and lecture topics are listed on page 9.

Individual Presentations

During the first two weeks, each Japanese and overseas participant delivered a fifty minute individual presentation, which introduced the actual situation, problems and future prospects of his/her country. These papers were compiled onto a CD Rom and distributed to all the participants. The titles of these individual presentation papers are listed on pages 10 and 11.

Group Workshop Sessions

Group Workshop Sessions further examined the subtopics of the main theme. In order to conduct each session effectively, the UNAFEI faculty selected individuals to serve as 'group members' for the sub-topics, based on their response to a questionnaire previously distributed. Selected participants served as chairpersons, co-chairpersons, rapporteurs or co-rapporteurs, and faculty members served as advisers. Each group's primary responsibility was to explore and develop their designated topics in the Group Workshop Sessions. The participants and UNAFEI faculty seriously studied the topics and exchanged their views based on information obtained through personal experience, the Individual Presentations, lectures and so forth. After the Group Workshop Sessions, reports were drafted based on the discussions in the conference room. These reports were subsequently presented in the plenary meetings and report-back session, where they were endorsed as the reports of the Course. Brief summaries of the Group Workshop reports (and the hypothetical case) are provided on pages 12 through 16.

Visits and Special Events

Visits to various agencies and institutions in Japan helped the participants obtain a more practical understanding of the Japanese criminal justice system. In addition to the Course's academic agenda, many activities were arranged to provide a greater understanding of Japanese society and culture, with the assistance of various organizations and individuals, including the Asia Crime Prevention Foundation (ACPF). For more detailed descriptions, please refer to pages 17 through 20.

Lecture Topics

Visiting Experts' Lectures

- 1) Mr Hans G. Nilsson
 - International Cooperation in Criminal Matters with Emphasis on Economic Crime and Money Laundering
- 2) Pol. Maj. Gen. Peeraphan Prempooti
 - Effective Countermeasures against Money Laundering in Thailand
- 3) Sir David Calvert Smith QC
 - The Proceeds of Crime: Past, Present and Future in England and Wales- Part I
 - The Proceeds of Crime: Past, Present and Future in England and Wales- Part II
- 4) Mr Henry N. Pontell
 - White-Collar Crime and Major Financial Debacles in the United States

Professors Lectures

- 1) Mr Keisuke Senta, Professor, UNAFEI
 - International Cooperation
 - Investigation and Prosecution in Japan
- 2) Mr Motoo Noguchi, Professor, UNAFEI
 - International Efforts for Combating Money Laundering and the Financing of Terrorism
- 3) Mr Iichiro Sakata, Professor, UNAFEI
 - The Criminal Justice System in Japan: The Courts
- 4) Mr Masato Uchida, Professor, UNAFEI
 - Institutional Corrections in Japan
- 5) Mr Kei Someda, Professor, UNAFEI
 - Community-Based Treatment of Offenders in Japan

Individual Presentation Topics

Overseas Participants

- 1) Mr Mohammad Farid Mollakhel (Afghanistan)
 - Crime Prevention in Afghanistan
- 2) Mr Fatos Lazimi (Albania)
 - The Economic Crime- A Virus in Democracy
- 3) Mr Abul Kashem (Bangladesh)
 - Country Report
- 4) Mr Alfred Kofi Asiamama-Sampong (Ghana)
 - Country Report
- 5) Mr Animesh Bharti (India)
 - Legislative Measures to Deal with Economic Crimes in India
- 6) Mr I Ketut Suwetra (Indonesia)
 - Country Report
- 7) Mr Khampheth Ounheune (Laos)
 - Country Report
- 8) Mr Bounma Phonsanith (Laos)
 - Country Report
- 9) Mr Khin Maung Win (Myanmar)
 - Situation on Enforcement of Economic Crime and Money Laundering
- 10) Mr Ngwe Htun (Myanmar)
 - Report on the Duties and Responsibilities of the Bureau of Special Investigation and the Recent Development of Myanmar after Enacting the Money Laundering Law
- 11) Mr Surya Nath Prakash Adhikari (Nepal)
 - Country Report
- 12) Mr Shahid Hussain Khan (Pakistan)
 - Country Report
- 13) Mr Ronald Bei Talasasa (Solomon Islands)
 - Country Report

- 14) Mr Titawat Udornpim (Thailand)
 - Thailand's Money Laundering Acts
- 15) Mr Toara Thomas (Vanuatu)
 - Country Report
- 16) Mr Erasmus Makodza (Zimbabwe)
 - Country Report

Japanese Participants

- 17) Mr Takuro Himeda
 - Work of the International Affairs Division in Fuchu Prison
- 18) Mr Masataka Ishijima
 - A Case of Money Laundering
- 19) Mr Yasuharu Kawase
 - Countermeasures Against Drug Abuse and Money Laundering
- 20) Mr Atsuo Kobayashi
 - Trend and Characteristics of the Crime Situation, Probation and Parole Cases in Hokkaido and a Summary of a Case Related to Economic Crime
- 21) Mr Satoshi Shibayama
 - A Fraud Case at Osaka District Court
- 22) Mr Kiyohiro Tanaka
 - Three Criminal Cases in Relation to Money Laundering in the Tokyo District Court
- 23) Mr. Kazuya Tonoike
 - Measures Against Fictitious Bills and "It's Me" Scams
- 24) Mr Yoshikatsu Yamato
 - Japan Coast Guard's Contribution to "Measures to Combat Economic Crimes, Including Money Laundering".

Group Workshop Sessions

Group 1

**MEASURES TO COMBAT ECONOMIC CRIME, INCLUDING MONEY
LAUNDERING**

Chairperson	Mr Alfred Kofi Asiama-Sampong	(Ghana)
Co-Chairperson	Mr Kazuya Tonoike	(Japan)
Rapporteur	Mr Titawat Udornpim	(Thailand)
Co-Rapporteur	Mr Yasuharu Kawase	(Japan)
Members	Mr Kiyohiro Tanaka	(Japan)
	Mr Khampheth Ounheune	(Laos)
	Mr Khin Maung Win	(Myanmar)
	Mr Ronald Bei Talasasa	(Solomon Is.)
Advisers	Deputy Director Tomoko Akane	(UNAFEI)
	Prof. Motoo Noguchi	(UNAFEI)
	Prof. Tamaki Yokochi	(UNAFEI)

Report Summary

Group 1 unanimously agreed that economic crimes, including money laundering may have a devastating effect on the economies of nations, as they increase in scope, intensity and sophistication.

They also noted that in recent years, globalisation has provided organized criminal syndicates with an environment to broaden significantly the range of their illegal activities.

After examining the current situation of crime in each country, the problems, the legal framework and possible solutions the Group made the following observations.

Each country's criminal justice system must be based on its own historical, cultural and social environment.

Economic crimes are mostly committed by organized criminal groups and often beyond national borders they therefore pose difficulties to investigative authorities. A number of UN conventions were intended to overcome such difficulties and it is fortunate that countries have realized how important they are and adjusted their national legal systems to accommodate them.

It is important that countries that have lax legal and institutional regimes close their loopholes so that money launderers cannot take advantage of these weaker systems.

Each country should provide mutual legal assistance to their foreign counterparts and cooperate among law enforcement authorities within the country.

Information sharing is central to the successful investigation of complex economic crime. International forums such as the Egmont Group of FIU provide valuable information and each country is encouraged to make use of these resources.

The use of informal channels to obtain information or evidence from foreign countries is strongly recommended. Investigators should, however, always bear in mind the issue of admissibility of such evidence.

It was agreed that the attendance on UNAFEI training courses is also useful in enriching the participant's professional networks.

Group 2**ECONOMIC CRIME, INCLUDING MONEY LAUNDERING; ITS LEGAL AND FINANCIAL IMPLICATIONS**

Chairperson	Mr Animesh Bharti	(India)
Co-Chairperson	Mr Yoshikatsu Yamato	(Japan)
Rapporteur	Mr Fatos Lazimi	(Albania)
Co-Rapporteur	Mr Takuro Himeda	(Japan)
Members	Mr Bounma Phonsanith	(Laos)
	Mr Toara Thomas	(Vanuatu)
	Mr Abul Kashem	(Bangladesh)
	Mr Satoshi Shibayama	(Japan)
Advisers	Prof. Keisuke Senta	(UNAFEI)
	Prof. Masato Uchida	(UNAFEI)

Report Summary

Group 2 stated their strong belief that economic crimes, including money laundering constitute a serious threat to national economies and their governments. Such crimes can have a devastating effect on a national economy since potential victims are far more numerous than those of other forms of crime.

In their final report Group 2 considered the following: the major forms of economic crime; their modus operandi; criminalization and enforcement; national legislation in light of the TOC Convention; predicate offences; confiscation and seizure; mutual legal assistance; problems; and future challenges.

The Group concluded that joint efforts made by each country in developing a reliable strategy to enforce vigorously their domestic law as well as international cooperation, is the most effective means to cope with problems related to economic crime. They also suggested that the following measures would be beneficial.

The number of State parties to the TOC Convention should be increased.

Article 34 paragraph 3 of the TOC Convention that allows each State party to adopt stricter measures than the convention should be promoted in order to deter organized crime establishing itself in countries that have the most lenient provisions.

Greater cooperation between criminal justice agencies is essential to combat borderless economic crimes. Sharing Information, such as suspicious transaction reports, information relating to offences and offenders, and modus operandi, etc. is therefore very important.

There should be a uniform standard for the criminalization of common criminal offences and the number of recognized predicate offences increased.

Financial institutions, telephone carriers and internet service providers should take responsibility for preventing their services from being misused as criminal tools.

It is crucial that FIU's attain a high level of expertise if they are to be effective.

Academic workshops, at all levels, should be conducted that address matters that relate to financial and non-financial institutions and independent professions.

There should be greater publication by the mass media, etc. on the issues of organized economic crime, including money laundering.

Group 3**MEASURES TO COMBAT ECONOMIC CRIME, INCLUDING MONEY
LAUNDERING**

Chairperson	Mr Erasmus Makodza	(Zimbabwe)
Co-Chairperson	Mr Shahid Hussain Khan	(Pakistan)
Rapporteur	Mr Ngwe Htun	(Myanmar)
Co-Rapporteur	Mr Masataka Ishijima	(Japan)
Members	Mr Mohammad Farid Mollakhel	(Afghanistan)
	Mr Atsuo Kobayashi	(Japan)
	Mr I Ketut Suwetra	(Indonesia)
	Mr Surya Nath Prakash Adhikari	(Nepal)
Visiting Expert Advisers	Sir David Calvert Smith QC	(U.K.)
	Prof. Takafumi Sato	(UNAFEI)
	Prof. Ichiro Sakata	(UNAFEI)

Report Summary

Group 3 stated that economic crime, including money laundering is a major transnational organized crime and in order to combat it domestic, regional and international cooperation is required.

The Group began by analysing the most common forms of economic crime and their modi operandi in their respective countries.

They then went on to examine the laws and international conventions that each country had in place or was party to; they found that although most of their countries had laws to curb economic crime some had not yet criminalized money laundering.

The Group then looked at the problems they faced and the problems the international community as a whole faced. They noted that in some instances there is little mutual legal assistance because some countries are not cooperative to foreign investigations. They also pointed out that sentencing for economic crimes was disproportionate to the gravity of the offences and did not serve as a sufficient deterrent.

Group 3 then looked at suitable and effective legal systems, laws and practices at the national and international level. The Group recommended that each state should allow the use of appropriate special investigative techniques such as electronic surveillance and undercover operations. They also stated that each country should adopt measures in line with Art. 7 of the UN Convention against Corruption to ensure their civil servants receive appropriate remuneration to lessen the chance of them being corrupted. The Group also considered the importance of education in regard to both employees of financial institutions, to strengthen their cooperation with law enforcement authorities and the public, in order to make them aware of the kind of crime they may be vulnerable to. Developed countries should support developing countries with training programmes and resources.

It was concluded that economic crime is an international menace and as such all countries need to get together and establish laws that conform to the 2000 UN TOC Convention and respect the FATF 40 Recommendations. The few countries that have not yet criminalized money laundering must set about doing so, since at the end of the day all proceeds of economic crime are laundered.

Hypothetical Case for Group Work Discussion

The following hypothetical case, provided by UNAFEI to all the groups, was used in the workshop sessions.

(Breach of trust by a bank manager)

1. Mr A is a national of country X and a manager of Bank F established in that country.
2. Mr B is also a national of country X and runs a real estate agency Company K, also established in that country.
3. The financial situation of Company K deteriorated and Mr B asked Mr A to grant the Company a loan of 1,000,000 US dollars.
4. Since Mr A was an old friend of Mr B, he agreed to grant the loan without any collateral although he knew that there was a possibility that this loan would not be paid back (Mr A's decision was against the internal regulations of the Bank F).
5. After three months, it became evident that Company K could not repay the debt.

(Consumer fraud)

1. Mr A feared that he would be held responsible for this bad loan and asked Mr B to find a way to pay it back.
2. Mr B consulted his mistress Ms C, a national and resident of country Y, about this matter, and Ms C proposed the following:
 - Ms C will set up a shell company L in country Y to conduct a consumer fraud.
 - Ms C will place an advertisement via the Internet that Company L could teach consumers how to purchase foreclosed and distressed real estate properties and promise it would provide the capital for such purchases.
 - Company L will further promise to pay each customer \$2,500 every time they partnered with it in a real estate deal and claimed the Company could split the profits after the property was sold. Company L will lure each consumer into purchasing an introductory videotape for \$60 and advertise a 30-day full money back guarantee. A portion of one million dollars was used to produce videotapes.
 - Company L will also sell additional videotapes which will be much more expensive than the first videotapes sold.
 - The purpose of this advertisement is to lure the consumers to buy the videotapes and Ms C has no intention of actually helping customers to obtain real estate.
 - Customers are solicited to transfer the price of the videotapes to the bank account of Company L.
 - When approached by possible customers, Ms C, introducing herself as Ms P, an executive of Company L, will say that her company has many transactions with Bank F and give them the name of Mr A as a reference.
 - When contacted by customers enquiring about Company L, Mr A will assure them that Company L is a company in good standing.
 - Ms C will pay \$2,000,000 to Mr A and Mr B if this scheme succeeds.
3. Mr A and Mr B agreed to Ms C's proposal.
4. Ms C asked a friend of hers who is a bank manager about the disposal of bank records and Mr A indicated that all bank trash is simply left outside of the bank in a large bin. Ms C accesses the bank trash and collects personal information from discarded bank records for the purpose of opening bank accounts in another country.
5. Ms C set up a shell company L in country Y, which is considered an "offshore centre" by the international community, and opened an account in Bank G of that country.

6. Lured by an Internet advertisement and sometimes with the assurances of Mr A, many customers worldwide purchased the videotapes and the proceeds of this fraud scheme amounted to \$5,000,000, which was remitted into Company L's account in Bank G.

(Money Laundering and the control of the proceeds of crime)

1. Ms C transferred the proceeds \$5,000,000 in Bank G to 15 bank accounts in country Z.
2. Ms C provided the personal information from the bank trash to Ms D and asked Ms D to use the information to forge false identification documents. Ms D used the false identification to open 15 bank accounts in country Z. Ms D is a national of country Z and works as an accountant there.
3. Ms D withdrew the funds (\$5,000,000) from the 15 individuals' accounts from numerous Automatic Teller Machines (ATMs) in small denominations in country Z over a period.
4. At the request by Ms C, Ms D brought \$2,000,000 in cash into country X and handed it to Mr B. Ms D did not declare that she was carrying \$2,000,000 to the authorities of Country X or Z and handed it to Mr B. Mr B deposited \$1,200,000 into an account of company K at Bank F using numerous ATMs in small denominations, which was used to pay back the loan of \$1,000,000 and its interest. Mr B kept \$400,000 for himself, and gave \$400,000 to Mr A. Both of them kept the money for their personal use.
5. At the request of Ms C, Ms D purchased a villa in country Z on her behalf for \$2,000,000. Ms D sent the rest of the money (\$1,000,000) to Ms C in country Y, by an underground banker Mr E in country Z who has his counterpart Ms J in country Y. Ms C paid \$10,000 to Ms D as a fee for her services, and spent \$90,000 for her personal pleasure (gambling, wining and dining etc.), purchased bearer securities amounting to \$500,000 from Security Company M and kept \$400,000 in cash in her residence. The bearer securities were kept in a safe deposit box of Bank H in Country Y.
6. Issues related to the recovery of the proceeds of this fraud scheme from both countries X, Z and Y, for the purpose of restitution to the victims, should be discussed in addition to the criminal liabilities of all the persons above.

Observation Visits

<i><u>Date</u></i>	<i><u>Agency/Institution</u></i>	<i><u>Main Persons Concerned</u></i>
Sept 3	Fuchu Police Station	<ul style="list-style-type: none"> · Mr Toru Matsushita Police Superintendant, (Fuchu Police Station Chief)
Sept 7	Tokyo District Court	<ul style="list-style-type: none"> · Mr Osamu Ikeda (Deputy Chief Judge of the Tokyo District Court, Criminal Division)
Sept 8	Tokyo District Public Prosecutors Office	<ul style="list-style-type: none"> · Mr Terutoshi Yamashita (Deputy Director, General Affairs Department)
	Ministry of Justice	<ul style="list-style-type: none"> · Mr Toshiaki Hiwatari (Vice Minister of Justice)
Oct 5	Supreme Court	<ul style="list-style-type: none"> · Mr Tatsuo Kainaka (Justice)
Oct 6	Fuchu Dai-Kyu Elementary School	<ul style="list-style-type: none"> · Mr Yasunori Kato (Principal)

Group Study Tour

<u><i>Date</i></u>	<u><i>Location</i></u>	<u><i>Agency/Institution</i></u>	<u><i>Main Persons Concerned</i></u>
Sept 15-17	Hiroshima and Kyoto	• Hiroshima Prison	• Mr Taketoshi Hidan Warden
		• Hiroshima High Public Prosecutors Office	• Mr Nobuaki Sato Deputy Superintendant Prosecutor
		• Hiroshima District Public Prosecutors Office	• Mr Yaichiro Yamashiki Deputy Chief Prosecutor
		• Kyoto District Legal Affairs Bureau	• Mr Norikazu Maekawa Director

Special Events

August 30

Welcome Party

Sept 1, 6, 13

Japanese Conversation Classes

The overseas participants attended three Japanese conversation classes and learned practical Japanese expressions. The Sensei (teacher) was Kumiko Yanagesawa.

Sept 3

Ping-Pong Tournament

The participants enjoyed a ping-pong tournament at UNAFEI in which the staff and faculty members of UNAFEI also participated. This was followed by a friendship party and prize giving.

Sept 8

Courtesy Visit to the Ministry of Justice and Reception by the Vice-Minister of Justice

After visiting the Ministry of Justice, a reception was held by the Vice-Minister of Justice, Mr Toshiaki Hiwatari at the Lawyers Club, Tokyo.

Sept 10

UNAFEI Olympics

The UNAFEI Olympic Games were held on the grounds of the Training Institute for Correctional Personnel. The participants competed in such events as racket relay, tug of war and the true or false quiz. Afterwards, there was a friendship party at UNAFEI.

Sept 11 and 25

Home Visits

ACPF Fuchu Branch organized dinners for the participants and visiting experts in the homes of members from the Fuchu International Exchange Salon, Tokyo Fuchu Rotary Club and Soroptimist International of Tokyo, Fuchu. The hosts were, Ms Chitose Sashida, Mr Yasuhiro Momota, Mr Kazuhiko Momoi, Ms Reiko Kato, and Mr Rinsi Sekiguchi.

Sept 19

Konnoh Hachimangu Festival

The participants and UNAFEI staff members joined the local community of Minami Aoyama and paraded through the streets wearing "Hanten" coats and carrying "Mikoshi" (portable shrines).

Sept 23

The Way of Tea

"Chan-no-yu" or "Sado", a formal Japanese tea ceremony hosted by Soroptimist International Tokyo, Fuchu was demonstrated by Ms Soue Kubo for the participants.

Sept 23

UNAFEI Barbecue Party

The participants and UNAFEI staff enjoyed a Sunday afternoon barbecue party on the lawn at UNAFEI.

Reference Materials Distributed

I. INTERNATIONAL CONVENTIONS AND STANDARDS

- A. United Nations Convention Against Corruption.
- B. Financial Action Task Force: The Forty Recommendations (June 2003).
- C. Financial Action Task Force: Report on Money Laundering and Terrorist Financing Typologies 2003-2004.
- D. United Nations General Assembly: Discussion Guide (A/CONF.203/PM.1).
- E. Council of Europe: Economic Crime (1981).

II. JAPANESE SYSTEM AND CURRENT SITUATION OF CRIME

- A. Extract from website of Japan Financial Intelligence Office (JAFIO) of the Financial Services Agency (FSA).
 - 1. Development on the Anti-Money Laundering Measures
 - 2. (Reference 1) Number of Suspicious Transaction Reports (STRs)
 - 3. (Reference 2) Number of STR's by business categories
 - 4. (Reference 3) History of Major Developments on Anti-Money Laundering
 - 5. Suspicious Transaction Reporting System in Japan
 - 6. Summit of the Arch Communique: Economic Declaration (extract)
 - 7. Halifax Summit Chairman's Statement (extract)
 - 8. The Birmingham Summit: Final Communique (extract)
 - 9. What is a Financial Intelligence Unit (FIU)?
 - 10. Example List of Typical Suspicious Transactions
- B. Extract from WHITE PAPER ON CRIME 2000 (Economic Offenses: Current Situation and Countermeasures) published by the Research and Training Institute, Ministry of Justice.

III. OTHER MATERIALS

- 1. Effective Countermeasures Against Illicit Drug Trafficking and Money Laundering (Ms Linda M. Samuel, 125th VE).
- 2. Fraud Investigation and Prosecution in the United Kingdom (Mr Peter Kiernan, 126th VE).
- 3. Learning from the Past Practical Lessons from UK Cases (Mr Peter Kiernan, 126th VE).

Experts and Participants List

Visiting Experts

Mr Hans G. Nilsson	Head of Division International Cooperation, Council of the European Union, European Union
Pol. Maj. Gen. Peeraphan Prempooti	Secretary-General International Affairs, Anti-Money Laundering Office, Thailand
Sir David Calvert Smith QC	Barrister Former Director of Public Prosecutions for England and Wales, United Kingdom
Mr Henry N. Pontell	Professor Department of Criminology, Law and Society, School of Social Ecology, University of California, U.S.A.

Overseas Participants

Mr Mohammad Farid Mollakhel	C.S.I. Manager Crime Scene Investigation Team, Ministry of Interior, Afghanistan
Mr Fatos Lazimi	State Advocate State Advocate Office, Council of Ministers, Albania
Mr Abul Kashem	Additional District Magistrate Office of the Deputy Commissioner, Chandpur, Bangladesh

Mr Alfred Kofi Asiama-Sampong	Senior State Attorney Ministry of Justice (Attorney-General's Dept.), Ghana
Mr Animesh Bharti	Deputy Secretary (Crime Monitoring) Ministry of Home Affairs, India
Mr I Ketut Suwetra	Senior Investigator Criminal Investigation Directorate, Bali Regional Police, Indonesia
Mr Khampheth Ounheune	Head of Civil Enforcement Division Enforcement Department, Ministry of Justice, Laos
Mr Bounma Phonsanith	Investigator and Vice of the Chief Cabinet, Supreme Public Prosecutor of Lao POR, Laos
Mr Khin Maung Win	Staff Officer Financial Intelligent Unit, Committee for Drug Abuse Control, Ministry of Home Affairs, Myanmar
Mr Ngwe Htun	Director Bureau of Special Investigation, Myanmar
Mr Surya Nath Prakash Adhikari	District Government Attorney District Government Attorney Office, Kathmandu, Nepal
Mr Shahid Hussain Khan	Deputy Director Federal Investigation Agency, Islamabad, Pakistan
Mr Ronald Bei Talasasa	Deputy Director Public Prosecutor's Office, Solomon Islands

Mr Titawat Udornpim
Judge of the Rayong Provincial Court
Thai Judiciary,
Thailand

Mr Toara Thomas
Senior Sergeant Fraud Section,
Vanuatu Police Force,
Vanuatu

Mr Erasmus Makodza
Superintendent Special Investigation
Criminal Investigation Department,
Headquarters,
Zimbabwe Republic Police,
Zimbabwe

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Mr Takuro Himeda
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Tokyo, Japan

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Probation Officer
Sapporo Probation Office,
Hokkaido, Japan

Mr Satoshi Shibayama
Judge
Osaka District Court,
Osaka, Japan

Mr Kiyohiro Tanaka
Judge
Tokyo District Court,
Tokyo

Mr Kazuya Tonoike
Public Prosecutor
Nagoya District Public Prosecutors,
Office,
Aichi, Japan

Mr Yoshikatsu Yamato

Deputy Chief of Security Division
Guard and Rescue Department,
2nd Regional Coast Guard Headquarters,
Japan Coast Guard,
Miyagi, Japan

THE FIRST TRAINING COURSE FOR THE SUPPORT OF ANTI-CORRUPTION MANAGEMENT IN THE KINGDOM OF THAILAND

The Government of Japan, JICA and the Government of Thailand signed an agreement in the spring of 2004 to initiate a three-year project for the “Strengthening of the Anti-Corruption Capacity in Thailand”. The training courses under this project aim to enhance the capacity and efficiency of the staff members of the office of the National Counter Corruption Commission of Thailand (NCCC). The NCCC is the office of the constitutional organ responsible for the investigation of corruption cases, the inspection of assets and liabilities of persons holding political positions and state officials, and the prevention of corruption.

The First Course took place at UNAFEI on 28 June to 23 July with 20 Participants from the NCCC.

Ms Nontiya Suthipong	Senior Legal Officer Corruption Prevention Bureau 1
Ms Yaovamal Joyjuree	Corruption Prevention Officer Corruption Prevention Bureau 2
Mr Chirdsak Arunsit	Corruption Prevention Officer Corruption Prevention Bureau 2
Mr Surin Petchupong	Senior Investigator Corruption Suppression Bureau 1
Mr Prachuab Katlangka	Senior Investigator Corruption Suppression Bureau 1
Mr Prateep Jutasorn	Junior Investigator Corruption Suppression Bureau 1
Mr Payup Kotchaplayook	Junior Investigator Corruption Suppression Bureau 1
Mr Pichet Pumpan	Senior Investigator Corruption Suppression Bureau 2
Mr Nuttvud Khomprasert	Junior Investigator Corruption Suppression Bureau 2
Ms Phurisuda Nilvan	Junior Inspector Assets Inspection Bureau 1
Ms Supatra Petchwichit	Senior Inspector Assets Inspection Bureau 3

Ms Suwanee Kammadasidit	Senior Inspector Assets Inspection Bureau 3
Ms Sasawan Cheepsatayakorn	Senior Inspector Assets Inspection Bureau 4
Ms Wannee Phumarun	Junior Financial Officer Financial Division
Ms Chintana Ploypatarapinyo	Senior Researcher Policy and Planning Bureau
Mr Thanachot Pairoh	Head of Foreign Affairs Section Policy and Planning Bureau
Ms Supporn Chantawangso	Junior Administrative Officer Policy and Planning Bureau
Mr Suttie Boonmee	Junior Intelligence Officer Intelligence Unit
Ms Wanna Khaiprapai	Junior Administrative Officer Administrative Unit
Mr Sompol Kanchanasobhana	Senior Investigator Report Division

**THE THIRD COMPARATIVE STUDY ON THE LEGAL AND
JUDICIAL SYSTEM FOR INDONESIA**

UNAFEI held the Third Comparative Study on the Legal and Judicial System for Indonesia from 28 June to 2 July in which 12 Indonesian participants (9 senior justice officials and 3 private attorneys) and the UNAFEI faculty made a comparative study on judicial reform.

This Course was mainly conducted in Osaka by the International Cooperation Department, Research and Training Institute, Ministry of Justice, Japan.

UNAFEI provided lectures and a visitation programme relating to the criminal justice system.

INFORMATION ABOUT FORTHCOMING PROGRAMMES

1. The Fifth Training Course on the Juvenile Delinquent Treatment System for Kenya

UNAFEI is holding the Fifth Training Course on the Juvenile Delinquent Treatment System for Kenya from 12 October - 5 November 2004. Sixteen participants will have an opportunity to develop an understanding of the legal and administrative framework and functions of the juvenile delinquent treatment system of Japan and have an opportunity to observe the work of the related agencies.

2. The Seventh International Training Course on Corruption Control in Criminal Justice

UNAFEI is holding the Seventh International Training Course on Corruption Control in Criminal Justice from 18 October - 12 November 2004. Attending this Course are 13 overseas participants from Asia, Africa, Central America and East Europe; and 3 Japanese participants. The participants will make a comparative analysis of the current situation of corruption; explore current problems relating to corruption in criminal justice systems and seek solutions at the investigation, prosecution and trial levels; and examine methods of corruption prevention and the enhancement of international cooperation.

3. Thailand In-Country Training Course “Strengthening of the Anti-Corruption Capacity in Thailand”

A special course for Thailand jointly organized by the National Counter Corruption Commission of Thailand and UNAFEI entitled “Strengthening of the Anti-Corruption Capacity in Thailand” will be held from 19 to 25 November 2004.

4. The Third JICA-Net Seminar on the Revitalization of the Volunteer Probation Aid System for the Philippines

The Third JICA-Net Seminar will expose the Parole and Probation Officers from the Philippines to the administration of the Japanese Volunteer Probation officer System, to help them improve their own volunteer programme. This Teleconference will be conducted for 50 parole and probation officers from the Philippines and take place 30 November to 2 December 2004.

5. The Third UNAFEI Seminar on the Revitalization of the Volunteer Probation Aid System for the Philippines

The Third Seminar will expose the Parole and Probation Officers from the Philippines to the administration of the Japanese Volunteer Probation officer System, to help them improve their own volunteer programme. This seminar will be conducted from 5 to 14 December 2004 at UNAFEI for eight Parole and Probation officers and two volunteer parole and probation aids.

6. The 129th International Training Course

The 129th International Seminar entitled “Crime Prevention in the 21st Century — Effective Prevention of Crime associated with Urbanization based upon Community Involvement and Prevention of Youth Crime and Juvenile Delinquency” will be held from 11 January - 10 February 2005.

Rationale

(1) Changes of Society and Crime Trends associated with Urbanization, Current Countermeasures and Problems Encountered

Economic growth and development of modern industry have promoted migration of people from other areas. The living conditions in urban areas have worsened as a consequence, slum areas have emerged and street crime has expanded. Economic growth and other factors have also altered the social fabric; for instance, the extended family has shifted into a nuclear family, and the erosion of human ties in the community has promoted a breakdown in the traditional form of the community. This has been accompanied by a weakening of normative consciousness in the community and it is a cause of the deleterious change in the community environment.

This enervation of living conditions and social environment accompanied by urbanization has also affected crime trends. For instance, in urban areas, crime such as larceny, robbery, violent crime and drug related crime have drastically increased. At the same time, the type of offences committed by organized criminals, youth, juveniles and foreigners have become more serious. This phenomenon generates “feelings of insecurity” in the majority of people who are living in urban areas. This increase in crime has adversely affected the “quality of life” in the community and it will be a serious cause of hindrance to the sustainable growth of a country.

Governments have faced difficulties to provide timely, necessary and sufficient countermeasures to this quantitative and qualitative change in criminal activity. Criminal justice agencies have not been able to respond to the explosion of the number and seriousness of crimes being committed in terms of the system itself and their budget. Improvement of policies in relation to city planning, immigration and migration and education and welfare for juveniles and youth have also fallen behind.

Responding to the demands of the people and public opinion who seek safety and security, the government has to put an emphasis on repressive approaches such as strengthening law-enforcement and punishment, which directly responds to the public’s beliefs and are effective in the short term. For instance, they are making wholesale arrests of street gangs in some metropolitan areas, tearing down slums and imposing harsher penalties on offenders.

It is clear that these countermeasures are necessary and we can expect some positive results from them; however relying solely on such countermeasures is insufficient to combat the crime associated with urbanization. Because offenders will be back in the community sooner or later and repressive approaches do not take into account prevention of crime and reintegration of offenders into the community.

(2) Fundamental Measures to Combat Crime associated with Urbanization

The phenomenon of an increase in crime due to urbanization has been brought about by many factors as we stated above. Therefore it is difficult for criminal justice agencies to combat such crimes

alone. It is essential to establish an “integrated approach” carried out by agencies and organizations concerned and people in the community closely cooperating and collaborating.

In the criminal justice field, in addition to the traditional repressive approaches, we also have to introduce the following measures which emphasize the prevention of crime and reintegration of offenders into the community with the cooperation and collaboration of other agencies and organizations concerned. A series of these countermeasures need to be taken in the form of community involvement (people in the community should come first and be allowed to participate in determining and carrying out policies and measures). It is important that we rebuild communities (which are instrumental in preventing crime and re-offending) during the process of taking these measures. Furthermore it is necessary for the criminal justice agencies to cooperate and collaborate with these efforts.

On a concrete level, the above-mentioned measures must provide for: the establishment of a social environment that aims to prevent crime; the establishment of an effective policy for petty offences; the introduction of treatment measures for offenders which include new and appropriate measures for persons who commit petty offences; the sound development of youth living in urban areas, especially effective countermeasures for “youth at risk” ; and effective reintegration of offenders back into the urban community.

(3) Measures to Combat Crime associated with Urbanization taken by the United Nations and the International Community

In order to address the above-mentioned situation, the General Assembly of the UN adopted the “Guidelines for the Prevention of Juvenile Delinquency (Riyadh Guideline)” in 1990 as a UN guideline for youth at risk (GA Resolution 45/112, 1990). In relation to crime associated with urbanization, the Economic and Social Council adopted “Guidelines for the Prevention of Urban Crime” in 1995 and in the Annex of this, “Guidelines for Cooperation and Technical Assistance in the Field of Urban Crime Prevention” shows the basic policy for countermeasures to such crimes based upon the viewpoint of primary prevention of crime and prevention of recidivism (secondary prevention, ECOSOC Resolution 1995/9, 49th plenary meeting, 24 July 1995, see attachment material no.1). In following with this, the ECOSOC Resolution entitled “Action to Promote Effective Crime Prevention” was adopted in 2002. In the Annex of this resolution “Guidelines for the Prevention of Crime,” it clearly states the policies of the UN and the theoretical framework of crime prevention (definition, positive involvement of the community, etc.), basic principles, organization, methods and approaches, international cooperation (ECOSOC Resolution 2002/13, 24 July 2002, see attachment material no.2). Regarding the crime associated with urbanization and youth at risk (prevention of youth crime and juvenile delinquency), this issue will be discussed in a workshop of the 11th UN Congress for Prevention of Crime and Treatment of Offenders held in Bangkok, Thailand in 2005.

There is also a UN programme that aims for the amelioration of the urban environment from the viewpoint of crime prevention. It is called “the Safer City Programme” and it is a technical assistance programme held by the UN Habitat. Under this programme, for prevention of crime associated with urbanization, youth crime and juvenile delinquency, there are a series of plans that consist of assessment, crime prevention, implementation of plans and the establishment of a system. These have been conducted in Kenya, South Africa, Madagascar and Cameroon, etc., with the support of international public organizations and private bodies.

On the basis of the explanations indicated above, in this Seminar, we will examine what kinds of measures can be taken by the criminal justice agencies of the respective countries to solve these problems. When we examine and discuss them, we will concentrate on the current situation of crime associated with urbanization, countermeasures for them and related problems and future prospects from the viewpoint of preventive approaches (i.e., prevention of crime and reintegration of offenders into the community) along with the traditional repressive approaches (i.e., strengthening of law-enforcement and just deserts to offenders). The major topics of this Seminar are as follows.

(1) The Current Situation of Crime associated with Urbanization, Countermeasures and Problems experienced by Participating Countries

- (a) Current situation.
- (b) Measures which have been taken by the current criminal justice systems.
 - by police, prosecution, courts, corrections and rehabilitation services.
- (c) Problems faced.

(2) Effective Measures for Prevention of Crime associated with Urbanization

- (a) Measures that can be taken by the police and prosecution to prevent crime associated with urbanization - community policing and community prosecution.
- (b) How to identify target areas - mapping analysis of reported crimes.
- (c) Situational crime prevention - reduction of crime by the improvement of urban planning.
- (d) Measures for preventing victimization - reduction of risk factors for victims, i.e., target hardening.
- (e) Crime prevention measures in the community by the active participation of community residents increasing the awareness of community residents about their sense of belonging in the community, cooperation and collaboration of agencies, organizations concerned and community residents, utilization of volunteers, i.e., neighbourhood watch activities by community residents as a form of implementation of the "Broken Windows Theory," and the upkeep of parks and other public places by community residents (Adopt-A-Park Programme).

(3) Effective Measures for Youth at Risk

- (a) Integrated approach (multidisciplinary approach) for youth at risk by the cooperation and collaboration of multiple agencies such as the criminal justice system, schools, welfare services, hospitals and others.
- (b) Measures for enlightening youth.
- (c) Early intervention for youth at risk - establishment of an appropriate risk and needs assessment scale and measures for early intervention based upon assessment.
- (d) The establishment and management of a flexible disposition and treatment system/measures to tackle youth offending/juvenile delinquency - examination of various forms of disposition and treatment, establishment and management of diversion programmes (mainly community-based treatment) at the police, prosecution and courts level; i.e., courts which handle specific issues such as "Problem Solving Courts" in the USA, disposition and treatment which are based upon restorative justice approaches such as victim offender mediation programmes in Australia, New Zealand, Canada, USA and others.
- (e) Effective institutional treatment for youth/juveniles Effective institutional treatment programmes for prevention of recidivism and enrichment of the through care system under cooperation and collaboration with community-based treatment services (probation services).
- (f) Effective community-based treatment for youth/juveniles Effective community-based treatment programmes for prevention of recidivism, measures that give an active role to the community for the effective rehabilitation and reintegration of offenders in the community and promotion of

the through care system under cooperation and collaboration with multiple agencies/organizations and the establishment of a smooth transition programme from the community-based treatment stage by criminal justice agencies to the aftercare stage.

(4) Role of the Community in the Integrated Approach (multidisciplinary approach) and Establishment of an Effective Multi-Agency Cooperation and Collaboration System

- (a) Necessity of the integrated approach (multidisciplinary approach), ways of planning and implementation and agencies which are in charge of this.
- (b) Role of the community in the integrated approach (mainly focused upon prevention of crime and reintegration of offenders into the community) - revitalization of the local community, active participation of the community with the victim and the offender under restorative justice approaches and methods of recruitment and utilization of community resources and citizen volunteers, such as volunteer probation officers.
- (c) Measures for the establishment of an effective integrated approach (multidisciplinary approach)- information sharing with agencies/organizations concerned and improvement of the aftercare system after sentencing/dispositions.

ADMINISTRATIVE NEWS

Overseas Trips by Staff

Ms Tomoko Akane (Deputy Director), Mr Masato Uchida (Professor) and Ms Tamaki Yokochi (Professor) visited Kenya to assist them in enhancing the services of the Children's Department of the Ministry of Home Affairs and National Heritage from 26 July to 18 August 2004.

Mr Takafumi Sato (Professor), Mr Kei Someda (Professor), Mr Yoshihiro Miyake (Chief of General and Financial Affairs) and Ms Tsuburu Miyagawa (staff) visited China to carry out research on the Chinese Criminal Justice System and meet with Chinese officials from 1 to 8 August 2004.

Mr Keisuke Senta (Professor) visited Canberra, Australia to attend and speak at the Bali Regional Ministerial Meeting on Counter Terrorism and Legal Issues Working Group from 1 to 6 August 2004.

Mr Motoo Noguchi (Professor) and Mr Ichiro Sakata (Professor) visited Argentina, El Salvador and Costa Rica to carry out research for the seminar to be held in 2005 with ILANUD on Criminal Reform in Latin America from 8 to 28 August 2004.

Mr Motoo Noguchi (Professor) visited Korea to speak at the Congress on Asian Prosecution from 5 to 11 September 2004.

Mr Hiroyuki Shinkai (Professor) visited the United Kingdom to carry out research on Drug Treatment in Criminal Justice from 12 to 26 September 2004.

Mr Kei Someda (Professor) visited Australia to carry out research on Drug Treatment in Criminal Justice, from 21 September to 7 October 2004.

Mr Masato Uchida (Professor) visited Singapore to attend the 24th Asian and Pacific Conference of Correctional Administrators, from 2 to 9 October 2004.

Mr Hiroyuki Shinkai (Professor) visited Myanmar, to meet with officials from the Ministry of Foreign Affairs and speak at their human rights seminar, from 5 to 8 October 2004.

FACULTY AND STAFF OF UNAFEI

Faculty:

Mr Kunihiko Sakai	Director
Ms Tomoko Akane	Deputy Director
Mr Keisuke Senta	Professor, Chief of Training Division
Mr Masato Uchida	Professor, Chief of Research Division
Mr Kei Someda	Professor, Chief of Information and Library Service Division
Mr Motoo Noguchi	Professor
Mr Takafumi Sato	Professor, 128th Course Programming Officer
Ms Megumi Uryu	Professor
Mr Iichiro Sakata	Professor
Ms Tamaki Yokochi	Professor
Mr Hiroyuki Shinkai	Professor
Mr Simon Cornell	Linguistic Adviser

Secretariat:

Mr Kiyoshi Ezura	Chief of Secretariat
Mr Masaki Iida	Deputy Chief of Secretariat

General and Financial Affairs Section:

Mr Yoshihiro Miyake	Chief
Mr Takanobu Sano	
Mr Osamu Miyakawa	
Mr Yukiyoshi Tatsuda	
Mr Mitsuo Dai	Driver
Mr Teruo Kanai	
Maintenance	
Ms Emiko Aruga	

Training and Hostel Management Affairs Section:

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Mr Tatsufumi Koyama	128th Course Assistant Programming Officer
Ms Chika Yamashita	
Ms Minako Fujimura	
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Mr Seiji Yamagami	Chief
Ms Keiko Noda	Librarian

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Ms Kumiko Yanagisawa

Kitchen, Chef:

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