



NCA

National Crime Agency

Red ALERT

Potential Indicators of Slavery and Human Trafficking

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Reference: A4R13670

This Alert has been issued following National Crime Agency (NCA) consultation with the British Banker's Association (BBA) and a number of its member banks as part of the newly created Joint Money Laundering Intelligence Taskforce (JMLIT). The JMLIT has been set-up to ensure a more collaborative approach between the NCA and the banking sector. We would welcome your feedback on this alert to ensure it provides the information you need to help in the fight against serious and organised crime. Please email all feedback to alerts@nca.x.gsi.gov.uk and include the reference AA1367AA in the subject line.

This information is for your immediate attention.

Potential Indicators of Slavery and Human Trafficking

Overview

This Alert aims to raise awareness of slavery and human trafficking, in terms of both the victims of, and individuals who may be involved in this criminal activity, that may hold accounts with you. It provides details of the potential indicators of these types of activity and is provided for your information and any necessary action.

What we would like you to do

The following indicators may assist in identifying whether a customer you have dealings with may be involved in Modern Slavery or may be a victim of slavery or human trafficking. Potential slavery is more likely to be indicated by observing a number of these indicators, not just one indicator;

Labour Exploitation Account Indicators

- European Economic Area (EEA) nationals opening accounts, based at houses of multiple occupancy.
- EEA nationals opening accounts in a branch with a 'translator' assisting or appearing to control the victim. The victim may appear confused, with poor or no English and may not know the address they are living at. The translator will often answer questions on their behalf, retain control of the victim's documents, show them where to sign and often fill in the form for the victim or bring in a completed application form.
- Is there a pattern or frequency to accounts being opened that appears unusual?
- Account receives wage payments from legitimate, often nationwide staff agencies but the funds then remain untouched for long periods.
- Accounts with unusual withdrawal patterns e.g. wages in, then all removed in one lump sum.
- Multiple accounts cleared out in succession at the same cash point.

- Accounts receiving funds from multiple Payday loans company then withdrawn in one lump sum, sometimes overseas.
- Accounts receiving payments from the UK but cleared from a European Union (EU) country.

Benefit Trafficking Account Indicators

- EEA nationals opening accounts, based at houses of multiple occupancy.
- EEA nationals opening accounts in a branch with a 'translator' assisting or appearing to control the victim. The victim may appear confused, with poor or no English and may not know the address they are living at. The translator will often answer questions on their behalf, retain control of the victim's documents, show them where to sign and often fill in the form for the victim or bring in a completed application form.
- Is there a pattern or frequency to accounts being opened that appears unusual?
- Accounts receiving only benefit payments which then remain in the account with no withdrawals for regular spending such as food shopping.
- Accounts with unusual withdrawal patterns – payment in, all removed in one lump sum.
- Multiple accounts cleared out in quick succession at the same cash point.
- Accounts held in the UK but cleared from an EU country.

Victim Identity Hijack Indicators

In recent cases, victims recovered and returned to eastern Europe were found to have been made company directors of a seven-figure GBP turnover company which is now under investigation for money laundering. Key factors were:

- Company or business accounts in EEA national names.
- Regular account income.
- Account holders not seen running day-to-day transactions.
- Account holders / company directors difficult to meet.
- If the account holder is spoken to, they may appear unaware of business activities.
- Multiple deposit makers, often cash, small number of payees.

Child Trafficking/Illegal Adoption Indicators

There are many different aspects of child trafficking/illegal adoption; however, we have recently identified criminals using informal fostering to source minors from the former overseas territories of EU countries. In these instances, minors were then exploited as domestic workers or in businesses. Key factors/pointers for these cases were:

- Regular account income from payees based in former EU country overseas territories. An example of this is with naturalised Portuguese citizens using Portuguese identity documents to open bank accounts. These bank accounts then receive payments from the former Portuguese territories of Macao, Guinea-Bissau, Congo and Angola.
- Spike in overseas payments at the start of school term times.
- The victims most frequently identified have been males of secondary school age.
- The payments are sent to the person in the UK arranging for the victim to be brought to the UK for illegal adoption and exploitation. In some cases payments of £10,000 have been made to arrange the illegal adoption.

If you suspect someone may be involved in slavery or a victim of slavery there are a number of ways of reporting it:

- In an emergency, phone 999 and speak to the police.
- For non-emergencies, call the police on 101, **Crimestoppers** on **0800 555 111** or the **Modern Slavery Helpline** on **0800 0121 700**.
- Consider submitting a Suspicious Activity Report (SAR) to the UK Financial Intelligence Unit (UKFIU).
- If submitting a SAR in relation to an adult you suspect may be linked to modern slavery, please include the code **XXV2XX**.
- If submitting a SAR in relation to a child, please include the code **XXV3XX**.

See page 7 for further details regarding submitting SARRS and the SAR glossary codes.

Information Report

Recent convictions of human traffickers and slave masters have highlighted the threat of Modern Slavery within the UK. Modern slavery is a complex crime encompassing slavery, servitude, forced and compulsory labour and human trafficking. Traffickers and slave masters coerce, deceive and force individuals against their will into a life of abuse, servitude and inhumane treatment. Victims may be sexually exploited, forced to work for little or no pay or forced to commit criminal activities against their will. Victims are often pressured into debt-bondage and are likely to be fearful of those that exploit them, who will often threaten and abuse victims and their families. All of these factors make it very difficult for victims to escape. There is no single profile of a slavery victim, they can be male or female, young or old and of any nationality.

Many victims found in the UK are foreign nationals who do not realise they are being tricked into a life of slavery until they arrive in the UK. However, UK nationals have also been victims of slavery within the UK.

Victims have been forced into slavery across the UK with the number of potential victims identified increasing year on year. In 2013, 1746 potential victims of trafficking were referred to the National Referral Mechanism. This was a 47% increase on the previous year. These 1746 potential victims of trafficking came from 112 different countries.

Types of Exploitation

Labour Exploitation

A large number of slavery victims have been identified working in largely unskilled manual labour for little or no pay, often working in unsanitary and unsafe conditions. In a number of cases, victims have come from vulnerable backgrounds and have been preyed on by exploiters promising food, housing and employment. Once recruited, the victims are often put into poor quality multi-occupancy accommodation, provided with limited food and they either receive little or no payment for the work they carry out.

Victims predominantly from eastern Europe have reported that they have been forced to open a bank account which is then controlled by the trafficker. The traffickers then make their victim apply for benefits payments which the trafficker will then withdraw from the victim's bank account. When opening the bank account, the victim may be controlled by and appear to be in fear of the slave master, who may also translate on their behalf. If a number of victims are being exploited, the exploiter may use the same bank branch to open the accounts.

A number of recent cases have identified companies registered in the name of slavery victims, of which the victims are unaware and from which they do not profit. These businesses have been used to hide and launder the proceeds of crime.

In 2013, the most common countries of origin of the potential victims linked to labour exploitation were:

- Agriculture – Lithuania, Poland, Latvia and Romania.
- Car washes – Romania.
- Food Industry (preparation and processing) – Lithuania.
- Unknown labour type (but possibly linked to an employment agency) – Poland, Hungary, Lithuania, Slovakia, Czech Republic and Latvia.
- Criminal exploitation for benefit claims – Slovakia, Poland.

Sexual Exploitation

A large number of victims, particularly from overseas, are forced into sexual exploitation, in many cases being forced to work as prostitutes to pay off debts to those who trafficked them into the UK. Victims may be recruited overseas with the promise of work in the UK, unaware of the true nature of the work. Other victims may be brought to the UK having entered into a relationship with a male where they are then forced into prostitution by this male or his associates in the UK. Victims may also be recruited within the UK and can be trafficked throughout the country. Having been exploited, victims may be passed on to other exploiters, moved to other areas of the country or out of the UK to be exploited overseas. As with labour exploitation, victims may be coerced into opening bank accounts into which benefits payments can be received, although this is less common than for victims of labour exploitation.

Criminal Exploitation

Victims have reported being forced to commit crime to repay debts to traffickers. The criminality these victims have been forced into includes maintaining cannabis factories and selling counterfeit goods.

A large number of victims have been identified as having been trafficked into the UK for benefit fraud. These victims enter the UK and are then forced to claim benefits. Once these benefit payments start, the victim may be further subjected to labour or sexual exploitation or they may be returned to their home country while the criminals responsible continue to receive the benefit payments made to the victim.

The National Crime Agency (NCA) Alerts system

The National Crime Agency (NCA) is a national law enforcement agency which leads the UK's fight to cut serious and organised crime. The NCA Alerts process is the way in which we provide information to non-law enforcement bodies including the private sector to combat and disrupt serious crime. To help us to improve this service, we would welcome any feedback you have on both the Alert itself and the information provided to you. Please email all feedback to alerts@nca.x.gsi.gov.uk and include the reference AA1367AA in the subject line.

Submitting a SAR

Persons in the regulated sector are required under Part 7 of the Proceeds of Crime Act 2002 (POCA) and the Terrorism Act 2000 (TACT) to submit a Suspicious Activity Report (SAR) in respect of information that comes to them in the course of their business if they know, or suspect to have reasonable grounds for knowing or suspecting, that a person is engaged in, or attempting, money laundering or terrorist financing. A SAR must be submitted as soon as is practicable. The reporting obligations in POCA are applicable to anyone in the UK that may interact with an individual or business, whereby they may commit a money laundering offence.

Making a quality report, structured in a logical format and including all relevant information will significantly enhance law enforcement's abilities to extract greater value from submitted SARs and speed up the process. Use of SAR glossary codes within the SAR are used to identify specific categories of suspicious activity and are widely used by law enforcement. The codes, as well as information on submitting SARs, are available from the NCA website – www.nationalcrimeagency.gov.uk

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Alert Markings

NCA Alerts are marked either Red or Amber. This is designed to indicate the urgency of the warning. Red may indicate a more immediate or specific threat, whilst those marked Amber will provide more general information that may complement existing knowledge.

NCA Alerts Team

Recognising that the private sector is often the victim of serious organised crime and is engaged in its own efforts to prevent, deter and frustrate criminal activity, the NCA seeks to forge new relationships with business and commerce that will be to our mutual benefit – and to the criminals' cost. By issuing Alerts that warn of criminal dangers and threats, the NCA seeks to arm the private sector with information and advice it can use to protect itself and the public. For further information about this NCA Alert, please contact the NCA Alerts team by email alerts@nca.x.gsi.gov.uk or by telephoning 020 7238 8167. For more information about the National Crime Agency go to: www.nationalcrimeagency.gov.uk.

Protecting the Public – Providing information back to the NCA

Section 7(1) of the Crime and Courts Act 2013 allows you to disclose information to the NCA, provided the disclosure is made for the purposes of discharging the NCA's functions of combating serious, organised and other kinds of crime. The disclosure of such information to the NCA will not breach any obligation of confidence you may owe to a third party or any other restrictions (however imposed) on the disclosure of this information. The disclosure of personal information about a living individual by you to the NCA must still comply with the provisions of the Data Protection Act 1998 (DPA). However, you may be satisfied that the disclosure by you of such personal information to the NCA in order to assist the NCA in carrying out its functions may be permitted by s29 of the DPA. Any Section 7(1) information should be submitted to alerts@nca.x.gsi.gov.uk.

Handling advice – Legal information

This information is supplied by the UK's NCA under Section 7(4) of the Crime and Courts Act 2013. It is exempt from disclosure under the Freedom of Information Act 2000. It may be subject to exemptions under other UK legislation. Except where permitted by any accompanying handling instructions, this information must not be further disclosed without the NCA's prior consent, pursuant to schedule 7, Part 3, of the Crime and Courts Act 2013.

This report may contain 'Sensitive Material' as defined in the Attorney General's guidelines for the disclosure of 'Unused Material' to the defence. Any sensitive material contained in this report may be subject to the concept of Public Interest Immunity. No part of this report should be disclosed to the defence without prior consultation with the originator.

Requests for further disclosure which are not permitted by any handling instructions or handling code must be referred to the NCA originator from whom you received this information, save that requests for disclosure to third parties under the provisions of the Data Protection Act 1998 or the Freedom of Information Act 2000 and equivalent legislation must be referred to the NCA's Public Information Compliance Unit by e-mail on picuquiries@nca.x.gsi.gov.uk.