

PoI-PRIMETT



Tackling Metal Theft

Welcome to
Valencia, Spain





Police – Private Partnership to Tackle Metal Theft

David Ransom



With the financial support from the Prevention of and Fight against Crime Programme of the European Union,
European Commission - Directorate-General Home Affairs



Agenda

- Welcome, introductions and key note speakers
- Legislation in participating Member States
- Case studies of the impact of legislation
- Discussion groups to identify key topics
- Lunch
- Discussion group outputs
- Agreement on EU guidelines
- Next steps
- Summary and close





Partnership



Three year project: September 2010 – August 2013
€1.25 million investment



Aims

- ⊙ Develop a police-private sector partnership to reduce metal theft across Europe
- ⊙ Improve collaboration between law enforcement agencies and the private sector to provide a better understanding of metal theft
- ⊙ Create an Expert User Group from law enforcement agencies and the private sector to improve communication and to share good practice
- ⊙ Provide a legacy of collaboration and a reduction in metal theft



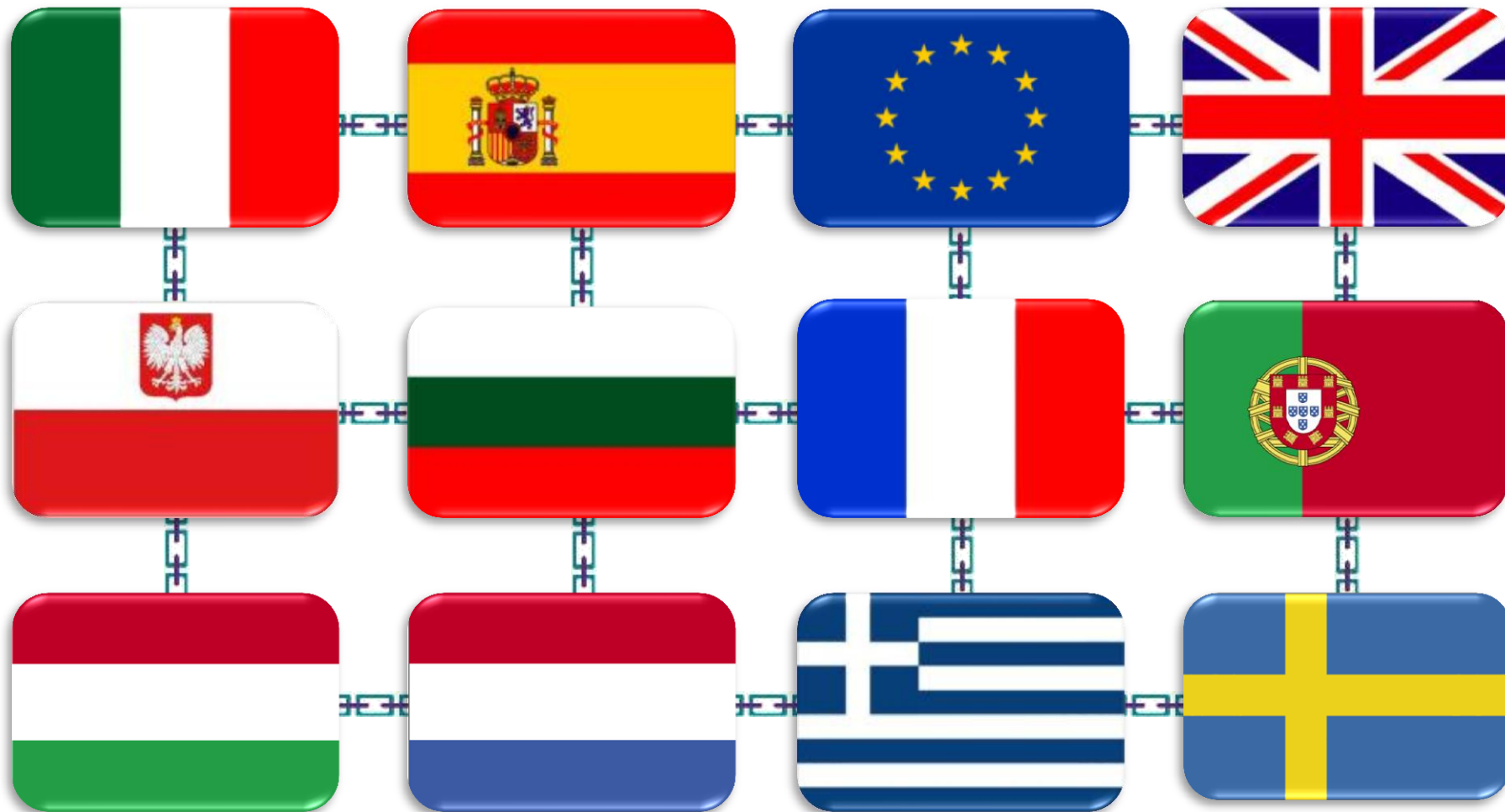
Objectives

- ✓ Reduce risks and improve security for organisations using metal in their daily operations
- ✓ Improve liaison and co-operation between the private sector and law enforcement agencies
- ✓ Develop technological and operational solutions to tackle metal theft
- ✓ Identify and prioritise the type of information to be disseminated to stakeholders
- ✓ Influence national and European policy and legislation



Promoting transnational collaborative working

Avoiding duplication, working in isolation or 'reinventing the wheel'



Activities to date



Rome Italy
March 2011

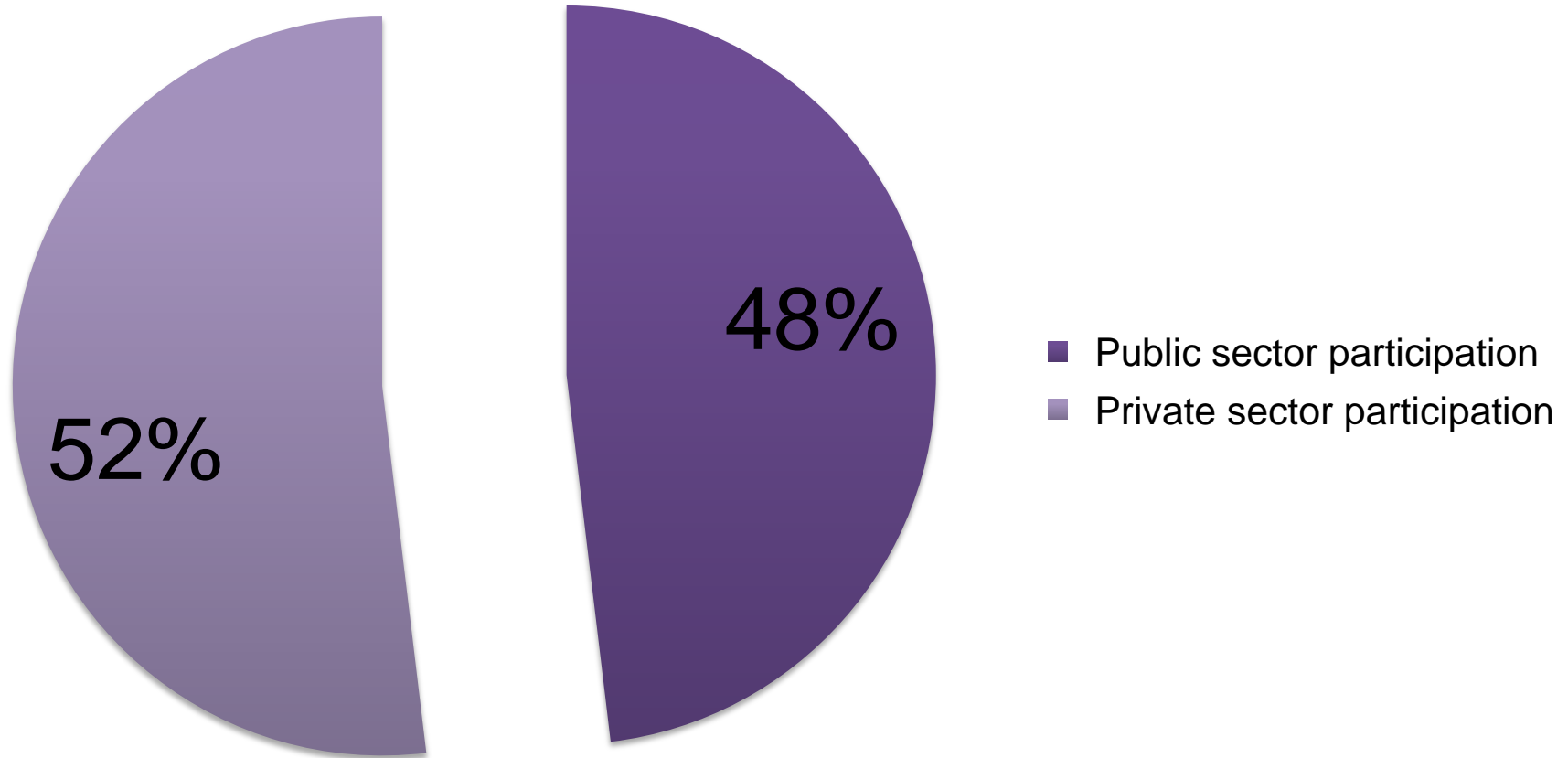
London, UK
March 2012



Breakdown of attendees at EUG meetings

| Location | Date | Number of attendees | Number of organisations | Number of countries represented |
|-----------------|---------------|---------------------|-------------------------|---------------------------------|
| Sheffield, UK | November 2010 | 36 | 16 | 5 |
| Rome, Italy | March 2011 | 48 | 28 | 8 |
| Wakefield, UK | June 2011 | 36 | 23 | 5 |
| Sofia, Bulgaria | December 2011 | 65 | 31 | 5 |
| London, UK | March 2012 | 77 | 51 | 9 |
| Athens, Greece | July 2012 | 78 | 44 | 9 |
| Valencia, Spain | November 2012 | 67 | 44 | 10 |
| Total | | 407 | 237 | 10 |

Public and private sector participation at EUG meetings





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Andrés Rabadán

Chief Constable,
Head of the Local Police Department,
Valencia City Council



Miquel Domínguez

Deputy Mayor of Public Safety,
Valencia City Council



Legislation in participating Member States





“Produce recommendations to Member States on legislation to regulate the scrap metal industry”



“Submit a proposal to the European Commission regarding good legislative practice”



Current focus areas

Legislation

Developing
good practice
guides

Developing
media
strategies

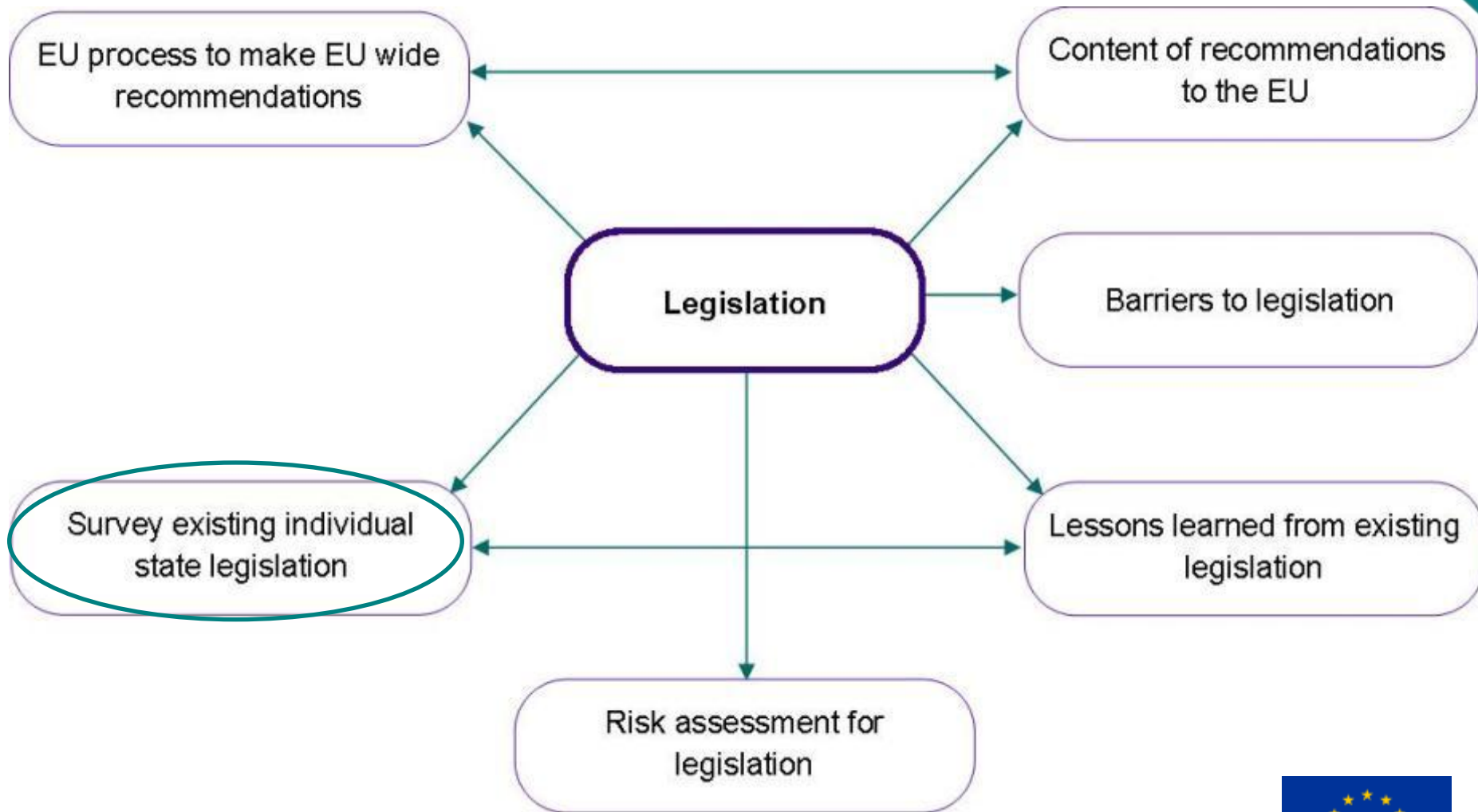
Understanding
the involvement
of OCGs

Identifying gaps
in knowledge
and intelligence

Encouraging
public – private
collaboration



EU guideline process



Legislation in participating Member States

| Member State | Reviewed legislation since 2009? | Cashless? |
|--------------|----------------------------------|------------|
| Austria | No | No |
| Bulgaria | Yes | Yes (2014) |
| France | Yes | Yes (2011) |
| Greece | No | No |
| Hungary | Yes | No |
| Norway | No | No |
| Sweden | Yes | Voluntary |
| UK | Yes | Yes (2012) |

- No specific legislation relating to metal theft
- Metal theft is categorised with 'normal' theft and handling stolen goods



- Complicated administrative procedures for permit applications
- Penalties for any violation of the permit €15,000 - €50,000
- SMD to record details of all sales including certificates of origin, declarations, identity cards, CCTV etc.
- Individuals prohibited from selling scrap at SMDs – all private waste to be ‘given up for free’ at council maintained sites



- First Member State to implement cashless system – 2011
- Annual declarations of finances sent to tax authority including details of all private sales
- ‘Police book’ recording all transactions, descriptions of metal, origin and methods of payment



- No specific legislation relating to metal theft
- Legislation relating to general theft, proceeds of crime and money laundering are often utilised during a prosecution
- Environmental legislation does include regulations on export of scrap metal
- Government has identified the need for a multi-level approach to tackle metal theft



- Strict licensing requirements for all scrap yards
- Detailed, daily online reporting to tax and customs authority of all purchases and sales
- Six day 'tag and hold' provision for all purchases from private individuals
- Additional 'accompanying document' for scrap shipments



- No specific legislation relating to metal theft
- SMDs apply for operating licenses from the local police authorities
- Industry desire to operate a cashless model



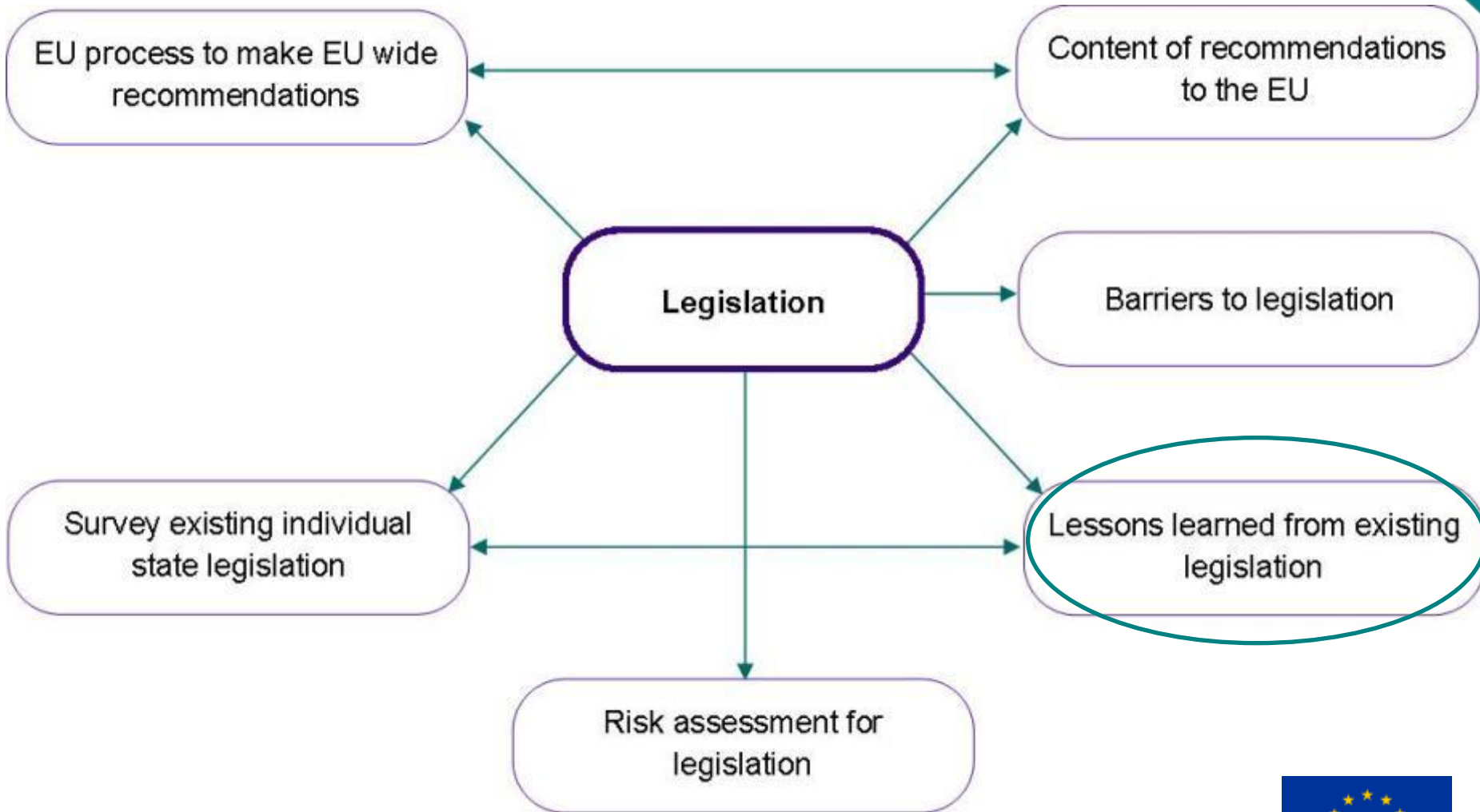
- Reverse VAT is now applied to scrap metal sales
- Voluntary cashless system operated by SMDs



- SMDs to record details of sellers including name, address, vehicle registration number etc.
- Police have the 'right to enter' scrap yards to inspect scrap and relevant documents
- Operated a cashless system since December 2012
- Itinerant collectors can trade in cash with a specific permit



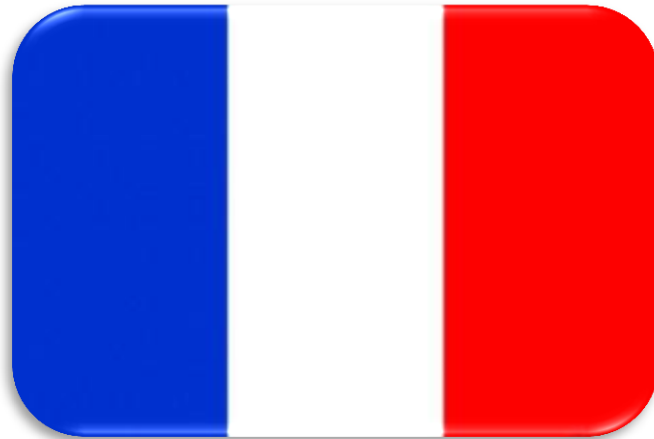
EU guideline process



Case studies of the impact of legislation



Case study: France





Pol-PRIMETT PRESENTATION

VALENCIA

MARCH 2013



METAL THEFTS IN FRANCE

A REAL AND CURRENT CONCERN FOR PUBLIC
AUTHORITIES

A STEP BY STEP POLICY



A key point :

1987 law : obligation for the recyclers to have and to respect a “book police” with precise mentions about the sellers (the non respect of this obligation can be punished : 30.000€ fee, 6 months punishment, possible administrative closure)



2007

- Gendarmerie national action plan

2008

- Convention with FEDEREC (on territorial basis)

2010

- New article in the penal code about the metal business : cash payings forbidden over 500 €



2011

- Agreement protocol about the helicopters use between SNCF and national Gendarmerie;
- Orders from the ministry of interior on June (OCLDI as national contact point);
- Banning of all cash transactions on August;



2012 : Obligation for the metal recycling firms to declare the identities and the sums given to the persons to which they have bought metals (“Fiscal tiers déclarations”).



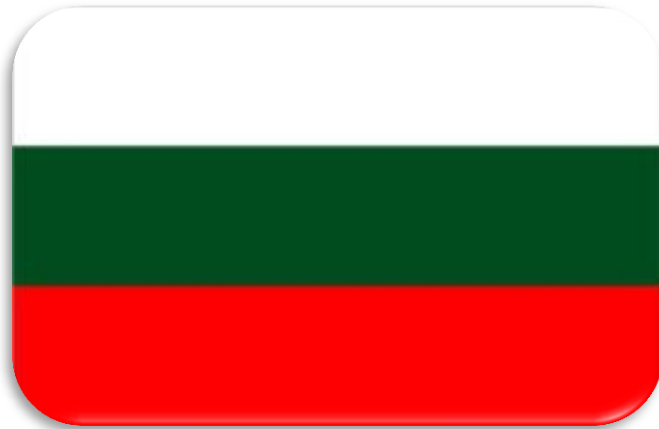
Cashless system is functioning from the First August 2011
- no more possible transaction in cash between sellers
and metal recyclers.

First trend in 2011-2012 : global drop of metal thefts at
national level after the implementation of this new
legislation, but a constant problem in the borders areas
and an increase in the last months of 2012. Necessity of
finding some common points between national
legislations, in order to avoid those aspects.



Thank you for attention

Case study: Bulgaria





CASE STUDY ON THE IMPACT OF BULGARIAN LEGISLATION RELATING TO METAL THEFT

2013

LEGISLATIVE REVIEWS

Reviews of WMA

2009-2011 reviews of WMA - related to:

- Documentation and reporting of activities with metal wastes;
- Prohibition of buying: cables; traffic signs, traffic barriers, metal covers of shafts, parts of the street lighting or water sewerage systems and facilities, metal containing cultural monuments or parts or components
- Placement of waste sites – General Spatial Plans - declared unconstitutional by the Bulgarian constitutional Court.



Reviews of Penal Code

2010-2011 reviews of the Penal Code related to:

- Trading without a license for FNFMW;
- Illegal breaking the integrity of facilities or sites of electric transfer or electric distribution network.



IMPACT OF LEGISLATION

Satisfactory results:

- **23 % reduction in metal theft**

23%



2012 REVIEW OF LEGISLATION

2012 review: The Waste Management Act (SG 53/2012)

- Cashless payment – in force 2014
- Bank guarantees (min.15 000 euros)
- Municipal monopoly over the metal wastes and obligations to individuals to deliver metal wastes for free on their sites only
- Heavy sanctions and Cumbersome, complicated and expensive administrative procedures for getting a permit
- Separate storage of different metal wastes



NEW PERMIT REGIME FOR METAL WASTE ACTIVITIES

- Cumbersome, complicated and expensive administrative procedures for getting a permit to work with metal wastes (bank guarantees; too many documents to get a permit; preliminary implementation of administrative acts, including, but not limited to withdrawal of authorisation, etc.)



- A new permit issued by new authority (the regional inspectorates of the Ministry of environment and water

HEAVY PENALTIES

- Heavy penalties even for minor violations (sanctions between 15 000 – 50 000 Euros; withdrawal of the permit for keeping records of wastes not in compliance with the requirements of the law or the regulations, which is very complicated and even the control bodies cannot agree on the correct record keeping)



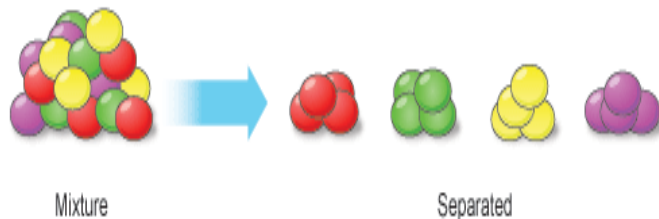
TRANSPARENT SYSTEM



- Transparent system for all sales - certificates of origin and declarations from individuals, copies of identity cards, written contracts;
- technical requirements – video surveillance, separate storage, etc.



IMPOSSIBLE REQUIREMENTS



- Separate storage of wastes (practically impossible and nobody keeps the provision) – different metal piles for storage from WEEE, metal waste packaging, WBA, and WFNFM, ELVs and waste resulting from their pre-treatment, also WFNFM from households and from industry shall be another two storage piles, and another one from the wastes subject to frequent thefts (cables; traffic signs, traffic barriers, metal covers of shafts, parts of the street lighting or water sewerage systems and facilities, metal containing cultural monuments or parts or components, etc.) – this requirement in practice is not possible to be applied, it turns out that private scrap sites shall have more than 50 different storage piles of metal waste, because on the other hand in metal trading there is a different nomenclature (HMS1, HMS2, etc.)
- 200 piles of different metal on each site and labeling each one with a code

**MISSION:
IMPOSSIBLE**



METAL COMBAT

○ The metal waste prohibition (2014):



- Free delivery from individuals
- Prohibition for delivering metal to private sites
- Metal wastes - only to municipal sites
- Municipal sites do not exist and are planned to be constructed by 2014
- No funding for them and nobody knows how and will they ever be constructed
- Where will individuals deliver their metal waste?



CASHLESS SYSTEM

- Cashless model entering in force in 2014
(country as a whole not ready for such a model)



- If transparency and tracking down the criminals is a reason, then a much better system exists because for each deal a 10 % tax shall be paid on behalf of the individuals



PROTESTS. CONSTITUTIONAL COURT



Protests from industry and stakeholders

- At the request of 61 MPs of the 41th National Assembly
- Constitutional case № 2/2013 in Constitutional Court
- Subject: to declare the unconstitutionality of certain provisions of the WMA



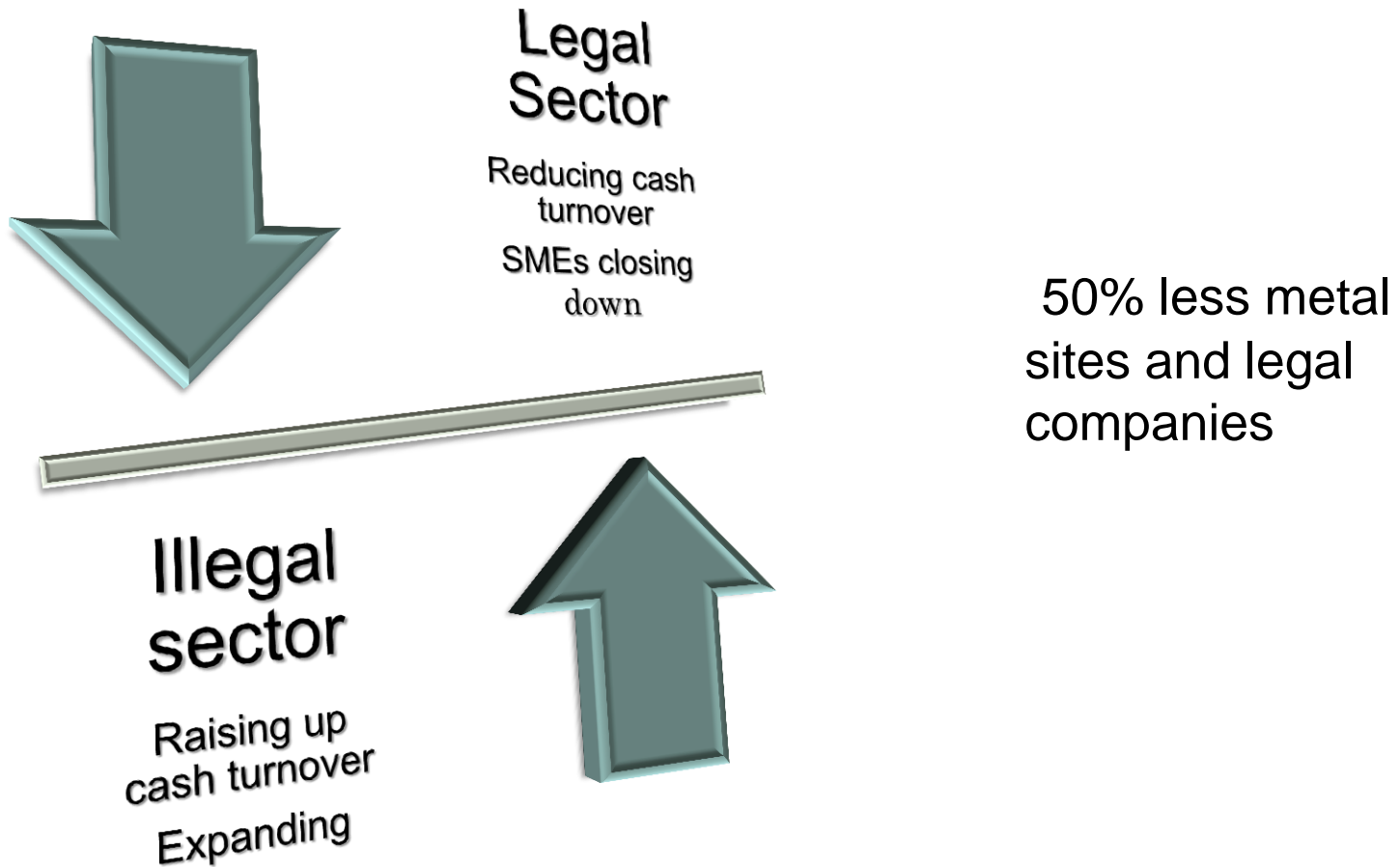
2012 PENAL CODE REVIEWS



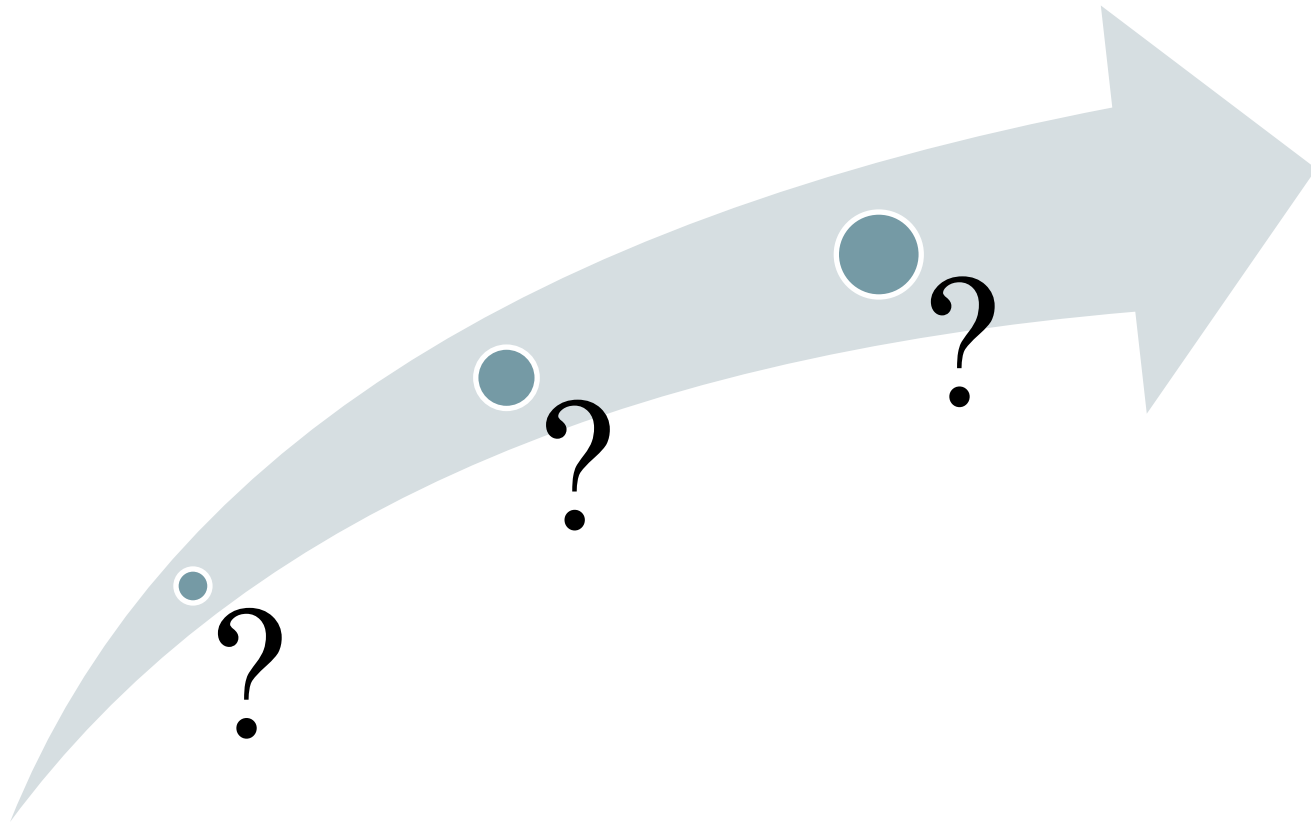
- No penal code reviews in 2012 and 2013
- A gap in legislation for trading without a license for metal wastes



IMPACT OF LEGISLATION



IMPACT ON METAL THEFT



RESULTS

- Results are that the legal companies have been reduced with 50 % (BAR data) from the beginning of all legislative amendments connected to metal theft and the illegal trade actually expanded (too many administrative and financial burdens for the legal sector and a lack of control on the illegal sector).
- Too much control on the legal sector and no control on the illegal
- A gap in the Penal Code for trading with metal waste without a permit because the Penal code is not synchronised with the new WMA



NEXT STEPS ???

- private eco police;
- website for metal theft alerts;
- legislative proposals, incl. for not terminating the pre-trial proceedings when classified as minor cases
- check list for inspections;
- interaction and exchange of information between police and stakeholders, incl. private security sector, etc.



Coffee break



Discussion groups



Discussion groups

- Identify key topics to be included in the EU guidelines
- Consider any barriers which may prevent or delay implementation



Lunch



Discussion group outputs



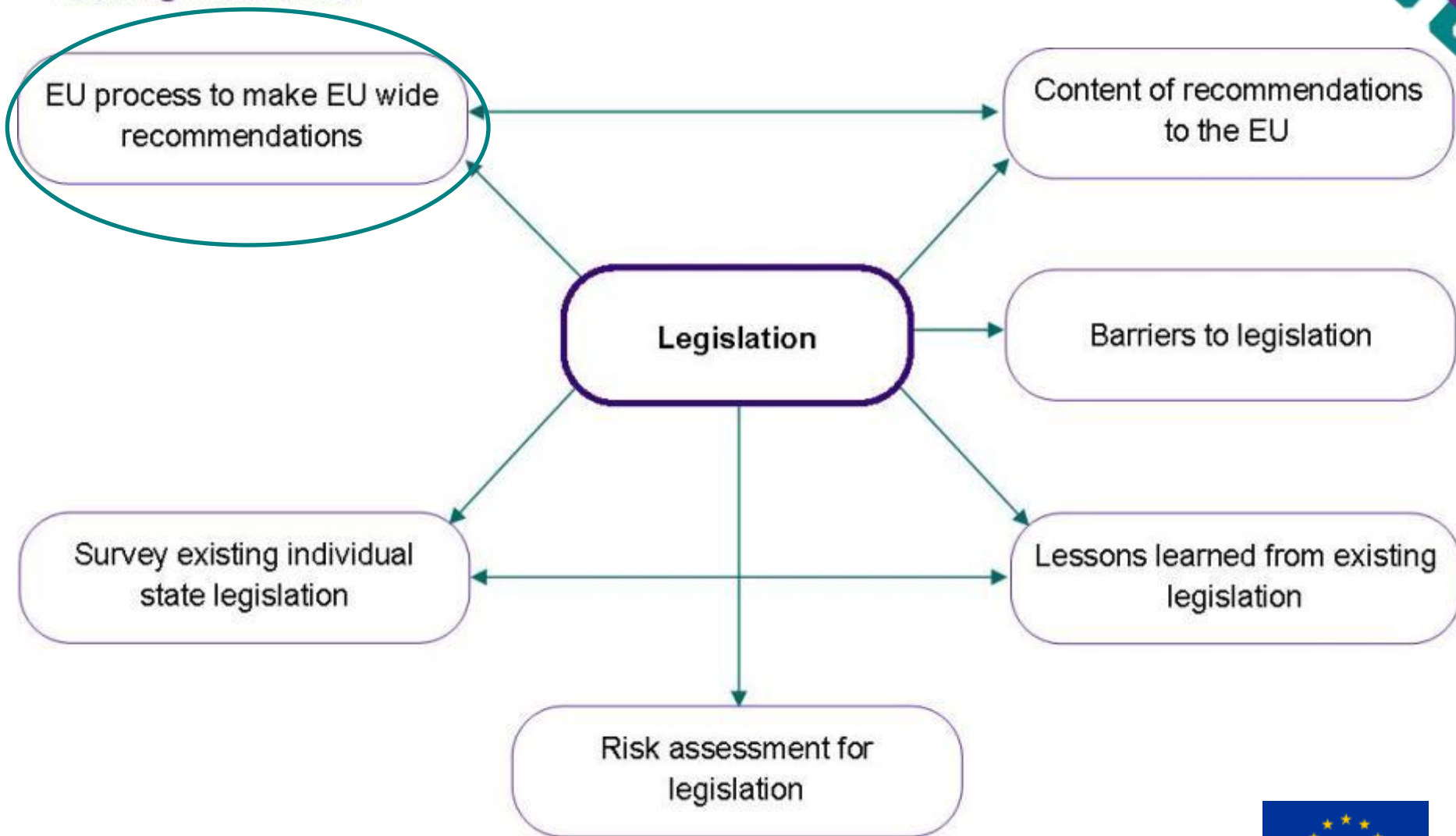
Agreement on EU guidelines



Coffee break



EU guideline process



Next steps



Summary and close





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Expert User Group meeting

Tuesday 5th March 2013

