



## IN FOCUS

by Stefano Betti

### De-carbonizing organized crime

At the 78<sup>th</sup> session of the United Nations (UN) General Assembly held in September 2023, President Lula of Brazil noted that deforestation in the Brazilian Amazon had decreased by 48% over the previous eight months.<sup>1</sup> This suggests that efforts to preserve the Amazon basin, a unique ecosystem, have gained momentum again after stag-

nating and even receding over the past few years.

A month before the UN General Assembly, Brazil hosted a summit to discuss the future of the rainforest with the other countries that share the Amazon basin. The event was not the first of its kind. The Amazon Cooperation Treaty Organization came to light in

1978 to promote sustainable development in the region. However, the 2023 summit stood apart as it marked the first time the treaty signatories had come together specifically to discuss the protection of the rainforest. They also adopted a joint plan in which they committed to increased cooperation in the law enforcement domain.<sup>2</sup>

- 1 Government of Brazil, "Speech by President Luiz Inácio Lula da Silva at the opening of the 78th UN General Assembly" (2023), at: <https://www.gov.br/planalto/en/follow-the-government/speeches/speech-by-president-luiz-inacio-lula-da-silva-at-the-opening-of-the-78th-un-general-assembly>
- 2 Agencia Brazil, "Lula: Amazon Summit's Belém Declaration to be in-depth action plan" (8 August 2023), at: <https://agenciabrasil.ebc.com.br/en/internacional/noticia/2023-08/lula-amazon-summits-belem-declaration-be-depth-action-plan#>

It is too early to determine if this and other similar initiatives will effectively and durably reverse the tide of environmental degradation. What is certain is that Lula's speech raises some fundamental questions about the intersection between two major battlefronts the world is currently grappling with: the struggle against climate change and the one against organized crime. Where do they converge? Are we going to keep waging these two battles in silos - as has been the case until now - or begin to consider how one can support the other?

The debate about how to control carbon emissions rightly revolves around the pace at which we can realistically switch to renewable energies, the usefulness of technologies aimed at capturing carbon dioxide from the atmosphere, etc. However, there exists a noteworthy gap in discussions concerning the potential contribution of "out-of-the-box" tools to the overall effort. Some of these tools broadly belong to the crime prevention policy domain.

Although the topic would deserve a much longer discussion, it may be useful to frame

the discussion by asking two broad questions: i) To what extent are organized crime groups net producers of carbon emissions? ii) How can we leverage criminal policies and tools against organized crime to maximize their contribution towards the goal of achieving carbon neutrality?

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## The intersection between illegal deforestation, waste crimes and carbon emissions

Deforestation, often driven by criminal organizations, stands out as one of the most carbon-intensive activities. It is not resorted to solely for the purpose of smuggling timber and derived products such as paper and pulp. Another frequent objective is to make space for drug cultivation. Arson is a common method employed for deforestation, serving as a prerequisite for



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land grabbing purposes, whether for agricultural exploitation or real estate development. A noteworthy study<sup>3</sup> from 2017 highlighted that cocaine trafficking contributes significantly to deforestation. In Honduras, Guatemala,

and Nicaragua, this illicit activity was found to be responsible for forest losses ranging between 15% and 30%. The issue at hand is the massive injection of proceeds from the drug trade into the acquisition of land, which is subsequently cleared and repurposed for agriculture. It is difficult to think of a more pertinent



Beyond illegal deforestation, waste crime emerges as another major culprit in the production of carbon emissions and the release of toxic elements into the atmosphere. This occurs chiefly through the unlawful and uncontrolled burning of scraps, particularly hazardous substances. According to Europol's 2022 threat

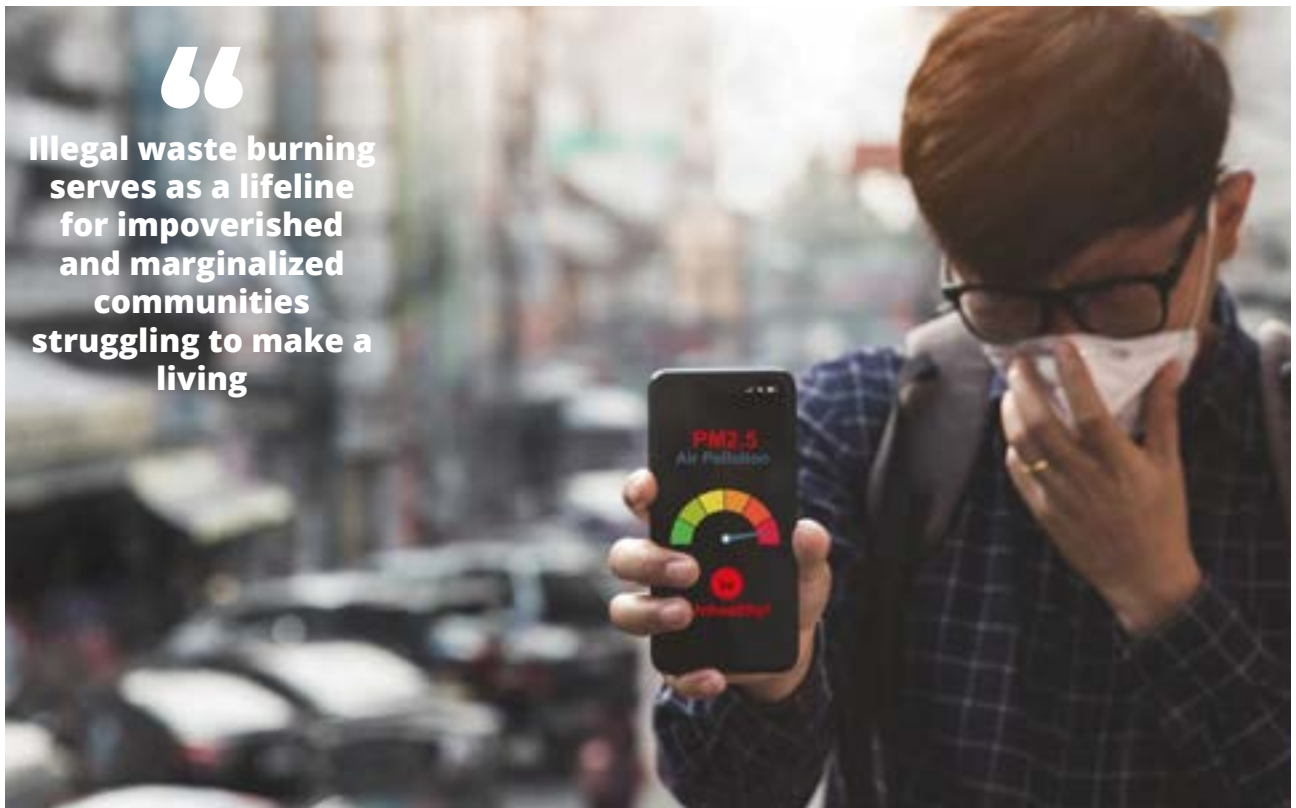
example of the links between illegal deforestation, drug trafficking, money laundering, illegal land exploitation and environmental degradation. This phenomenon has grown to such proportions that it has given rise to a new term: "narco-deforestation."<sup>4</sup>

assessment on environmental crime, "the illicit burning of waste is steadily increasing in several EU Member States, and it has many severe consequences in terms of air pollution and health hazards."<sup>5</sup>

3 Environmental Research Letter, "A Spatio-temporal Analysis of Forest Loss Related to Cocaine Trafficking in Central America" (2017), at: <https://iopscience.iop.org/article/10.1088/1748-9326/aa6fff>

4 Our World, "Narco-Deforestation: Linking Drug Policy and Forest Conservation" (2014), at: <https://ourworld.unu.edu/en/narco-deforestation-linking-drug-policy-and-forest-conservation>

5 Europol, "Environmental Crime in the Age of Climate Change – Threat Assessment" (2022), at: [https://www.europol.europa.eu/cms/sites/default/files/documents/Environmental%20Crime%20in%20the%20Age%20of%20Climate%20Change%20-%20Public%20report\\_5.pdf](https://www.europol.europa.eu/cms/sites/default/files/documents/Environmental%20Crime%20in%20the%20Age%20of%20Climate%20Change%20-%20Public%20report_5.pdf)



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**Illegal waste burning serves as a lifeline for impoverished and marginalized communities struggling to make a living**

Illegal waste burning is an economically attractive option for three very diverse types of players. Firstly, it offers cost savings to unscrupulous entrepreneurs seeking cheaper, unregulated channels for disposing of their industrial waste. Secondly, it generates substantial profits for criminal syndicates that act as intermediaries by illegally transporting waste from source to destination countries thanks to their networks of corrupt law enforcement and border officials. Thirdly – and perhaps even more distressing and alarming

- illegal waste burning serves as a lifeline for impoverished and marginalized communities struggling to make a living. The garbage-ridden shantytowns of Sintesti, in the suburbs of Bucharest, made headlines in 2022 following reports that its inhabitants set fire to whatever they can find - from computers to tires to electrical cables – as long as it contains metals for resale.<sup>6</sup>

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**Land seized from organized crime groups could be converted into land destined to sustainable, carbon-neutral farming practices**

6 AP, “In Romania, ‘Modern Slaves’ Burn Noxious Trash for a Living” (April 22, 2021), at: <https://apnews.com/article/world-news-health-romania-environment-and-nature-business-74bc8c9f72d2dbe21e10282c722779dc>

## Reframing current policies and tools

Quite intuitively, the preceding discussion implies that it is crucial for governments to engage in reinvigorated law enforcement actions to address organized crime activities responsible for significant carbon emissions. But there is much more that can be done than simply arranging a more “muscular” response. Our criminal policy and tools can themselves be repurposed in such a way as to become net contributors to climate change mitigation efforts. Without claiming to be exhaustive, three key areas appear to be of particular relevance: criminal asset recovery, counterfeit goods disposal, and the promotion of green jobs and vocational training within correctional facilities.

## Criminal asset recovery

Action aimed at freezing, seizing and confiscating criminal property can be a powerful mechanism in our arsenals of tools for tackling climate change. In an article I wrote for the Economist Intelligence Unit’s magazine in 2019, I suggested that even a modest one or two-point increase in the percentage of assets recovered from criminal hands (the latest Europol-reported figures put the current percentage in the EU at a discouraging 2%)<sup>7</sup> would result in gains of several million euros for governments.<sup>8</sup> How many new decarbonization projects could then be sponsored, green start-ups supported, energy-transition measures subsidized? Additionally, land seized from organized crime groups could be converted into land destined to sustainable, carbon-neutral farming practices. Where feasible, confiscated factories and businesses could be kept operational, with their workforce and industrial activities integrated into a logic of the “circular economy”.

7 Europol, “The Other Side of the Coin – European Financial and Economic Crime Threat Assessment” (2023), at: <https://www.europol.europa.eu/cms/sites/default/files/documents/The%20Other%20Side%20of%20the%20Coin%20-%20Analysis%20of%20Financial%20and%20Economic%20Crime%20%28EN%29.pdf>

8 Stefano Betti, “Criminal Asset Recovery Must Become Governments’ Central Concern” (2019), at: <https://impact.economist.com/perspectives/strategy-leadership/criminal-asset-recovery-must-become-governments-central-concern>





## Disposal of counterfeit goods

How are we going to dispose of the staggering amount of counterfeit goods that customs agencies regularly seize around the world? In 2022 alone, the World Customs Organization (WCO) reported a total of 192 tons of illicit medicines seized by its member states.<sup>9</sup>

This challenge also involves products that we typically perceive as innocuous, such as clothing, handbags and footwear, all of which have seen a substantial increase in counterfeiting. Addressing this issue, shall we continue to dispose of them through incineration for the most part, or shall we rather explore options like recycling, donating to charity, or potentially reintroducing them into the market once they have been verified as safe and stripped of counterfeit markings? This is not a novel problem. It has been extensively discussed and examined by organizations like the World Intellectual Property Organization (WIPO)<sup>10</sup> and non-governmental bodies like the Transnational Alliance to Combat Illicit Trade (TRACIT).

## Green jobs and vocational training in prisons

As much as other public institutions, it is certainly necessary and desirable for correctional facilities to be built and operated according to environmentally friendly standards. However, prison ecosystems offer the potential for a peculiar and impactful contribution to global de-carbonization efforts. Notably, by acquiring skills in green occupations and engaging in training and vocational programs during their incarceration, inmates can effectively learn the skills needed for their integration into the eco-friendly economy upon completing their sentences.

A stimulating proposal hails from the United States, where state penitentiaries are commonly constructed in spacious, secluded locations for heightened security and reduced public visibility. By making effective use of these extensive lands to cultivate fruits and vegetables or establish fish farms, these facilities present an opportunity for sustainable practices, simultaneously allowing inmates to acquire an expertise in farming and aqua-

9 WCO, "Illicit Trade Report" (2022), at: [https://www.wcoomd.org/-/media/wco/public/global/pdf/topics/enforcement-and-compliance/activities-and-programmes/illicit-trade-report/itr\\_2022\\_en.pdf?db=web](https://www.wcoomd.org/-/media/wco/public/global/pdf/topics/enforcement-and-compliance/activities-and-programmes/illicit-trade-report/itr_2022_en.pdf?db=web)

10 WIPO, "The Environmentally Safe Disposal and Destruction of Intellectual Property Infringing Goods" (2017), WIPO/ACE/12/3 REV, at: [https://www.wipo.int/edocs/mdocs/enforcement/en/wipo\\_ace\\_12/wipo\\_ace\\_12\\_3\\_rev.pdf](https://www.wipo.int/edocs/mdocs/enforcement/en/wipo_ace_12/wipo_ace_12_3_rev.pdf)



culture.<sup>11</sup> Initiatives aimed at engaging inmates in hands-on work experiences with a view to their future employment in the green economy have also surfaced in other countries. In 2012, the penitentiary administration of the Italian region of Puglia introduced training courses focused on the installation and maintenance of solar panels.<sup>12</sup> Another project, initiated in 2005, aimed to promote the inclusion of individuals serving sentences or released from prison by integrating them into an industrial

process within the waste electrical and electronic equipment recycling sector.<sup>13</sup>

The above-mentioned projects target the prison population at large, including individuals convicted of organized crime-related offenses (although those who are subject to special detention regimes may not qualify). For those sentenced specifically for environmental crimes, one might also consider a form of social service benefitting the community. This could potentially involve

engaging in civic work directly instrumental to combating climate change and protecting the environment. Where countries already provide for the possibility of performing public service work for convicted persons, their legal frameworks could be further refined to align with this direction.

### **An uphill battle, but one worth undertaking**

By creatively leveraging asset recovery mechanisms, implementing innovative processes for disposing intellectual property (IP) infringing goods, and providing eco-friendly opportunities for inmates, countries can simultaneously address two challenges: combating organized crime (including the risk of recidivism) while also incorporating three “unconventional” approaches into their arsenal of tools for addressing climate change.

However, this is not to suggest, that the task is without its challenges.

Concerning the possible use of confiscated assets for green projects, only a handful of countries currently possess the proper enabling legislation and solid expertise required to manage complex assets such

11 Prison Journalism Project, “How Prisons and Jails Can Go Green” (2023), at: <https://prisonjournalismproject.org/2023/02/20/how-prisons-and-jails-can-go-green/>

12 Oasi, “Il Lavoro in Carcere Diventa Verde” (2012), at <https://www.oasisociale.it/news/il-lavoro-in-carcere-diventa-verde.html>

13 Teche, “RAEE in Carcere”, at [https://www.techne.org/it/attivita/carcere/raee\\_in\\_carcere/#cookieOk%23cookie\\_ok](https://www.techne.org/it/attivita/carcere/raee_in_carcere/#cookieOk%23cookie_ok)

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as companies. Most countries are still unfamiliar with the often-daunting challenges of ensuring that confiscated businesses can “survive” and remain competitive when subjected to the higher costs of operating “legally,” including the need to comply with health and safety regulations.

Furthermore, environmentally friendly technologies for the destruction of counterfeit goods are not always readily available. Additionally, the issue of who bears the costs for such actions remains controversial. In principle, Article 45 of the TRIPS agreement stipulates that “the judicial authorities shall have the authority to order the infringer to pay the right holder damages adequate to compensate for the injury the right holder has suffered (...).”<sup>14</sup> In practice, though, it is very difficult to enforce this provision against counterfeiters and hold them responsible. Many infringing entities hide

behind front companies or operate from uncooperative jurisdictions. By the time a judicial decision is made, the importing companies have disappeared or have been liquidated. As a result, rights holders often bear the costs, suffering a double penalty.

Regarding the development of green training and employment opportunities for the prison population, it is not something that can be developed overnight, especially when penitentiary systems face structural problems linked to under-funding and over-crowding.

That said, it would be a mistake to dismiss the above-mentioned approaches as something only wealthy countries can afford. This may be true in some cases, but not always. Where there is a genuine window of opportunity for sweeping reforms (e.g., EU candidate countries in the process



14 WTO, “Agreement on Trade-Related Aspects of Intellectual Property Rights as Amended by the 2005 Protocol Amending the TRIPS Agreement”, at: [https://www.wto.org/english/docs\\_e/legal\\_e/trips\\_e.htm#art1](https://www.wto.org/english/docs_e/legal_e/trips_e.htm#art1)





of adapting their legal frameworks and practices to h EU standards), the chance to include a strong decarbonization component in the reformist agenda should not be lost.

The goal of de-carbonizing the world is an uphill battle and will remain such in the foreseeable future. To make the path less steep, we should mobilize the full spectrum of available tools, including those belonging to policy areas that are typically left outside discussions about climate change. Adjusting our strategies against organized crime so that they factor in climate mitigation efforts would be good start.

#### ABOUT THE AUTHOR

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