

## **CHAPTER 2**

# **ORGANIZED CRIME IN NAMIBIA**

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### **1. Introduction**

The Republic of Namibia is situated between 9° and 21° Eastern Latitude and between 17° and 29° South Latitude on the African Continent. She is bordered as follows: North: Angola and Zambia. East: Botswana and South Africa. South: South Africa. West: Atlantic seaboard. The land surface of Namibia is 824268 km<sup>2</sup> and her population is + 1.55 million people. A vast Country wide with a small population.

The main sources of income for Namibia is: (a) Mining (Diamonds, Uranium, Copper, Tin, Gold, and Salt) (b) Agriculture (Beef and mutton, Karakul Pelt, Ostrich farming) (c) Marine Resources (Fishing, Medium and small industry).

From this scant picture, it should be clear where the focus of organized Crime in Namibia is; namely the smuggling of diamonds, one of the most precious stones in the world. Namibia is further blessed with the fact that the largest percentage of her diamond resources consist of gem stones which are of course much more valuable than industrial diamonds. Secondly, though drugs are not produced in Namibia, Crime Syndicates have, since our Independence in 1990, started to use Namibia as a transit route from Latin

America to South Africa. Another transit route from our Northern Neighbours to South Africa for mandrax had also been identified. Thirdly, because Namibia, together with Botswana and South Africa is perceived to be more affluent than Countries to the North of the Continent, several attempts of organized Fraudulent scams, mainly originating from Nigeria had been discovered in Namibia. Because of the instability in our Northern Neighbour Angola, which is now subsiding, arms of war which is floating around uncontrolled in that country, had become a major attraction for organized arms smugglers from South Africa in the aftermath of the process of democratization which had taken place in that country. Another field where syndicates had been exposed is in the stealing and smuggling of motorvehicles, mainly from South Africa and Namibia to Countries in the North. Lastly, as we will explain later on in our presentation, according to our evaluation, Namibia has become very attractive to Crime Syndicates for the purpose of Money Laundering.

For Easier understanding the various types of crimes will be handled separately in our presentation.

## **2. Smuggling of Precious Stones (Diamonds)**

### **A. Introduction**

Namibia, together with South Africa and Botswana, are amongst the worlds biggest diamond producing countries. Furthermore, more than 60% of our diamond production are classified as diamonds, making the attraction is so much bigger.

### **Nature and Extend of Crime**

During the first six months of 1996, 59 cases were registered where diamonds to the value of +US \$1 million were involved. In these cased 119 people were arrested.

The legal diamond trading system is very well organized. The only way stolen diamonds can therefore be sold profitably is through organized syndicates. It is true that the initial thefts at the production or mining sites are committed by individuals who are not always organized. They however, have to find buyers who again must have a market at which to sell the diamonds. The third link in the smuggling line is in 99% of cases already part of the organized system. In some cases a smuggler has his own employees/agents working in the mines, stealing and buying diamonds for their employer. The smuggled and stolen diamonds find their way through the organized crime channels to Europe where it is sold to dubious diamond

cutters who, once the diamonds had been cut and polished, feed them systematically on to the legal market.

### **B. Anti-Crime Measures**

To combat this crime the following measures are taken:

Very close co-operation exist between the specialized Police Unit focusing only on this type of crimes and the Security Departments of the Mining Companies. Conferences, workshops, symposiums on this subject of security are regularly sponsored by the companies. The modus operandi of each criminal who is caught is studied and compared with the security procedures to avoid any weakpoints in security. The Police Units are also supported with specialized equipment donated by companies to ensure high performance. Close co-operation and joint operations between neighbouring Police Services are used regularly to combat the smuggling of diamonds. Contact exist between Police on operational level directly without having to go through time consuming bureaucratic channels.

### **C. Legislation**

Strict legislation regulating the various aspects of the diamond industry exist e.g.: The Diamond Industry Protection Proclamation; The Diamond Proclamation; The Diamond Cutting Act; The Export Duty on Diamonds Act; The Minerals (Mining and Prospecting) Act; The Seashore Act; etc.

### **D. Recommendation**

To combat the smuggling of diamonds, specially trained officers is a necessity. Co-operating between the Security Sections of the Mining Companies and the Special Police Units is also of vital importance. Close liaison and co-operation with similar units in neighbouring Police Service play a major role in the combatting of diamond smuggling since the organized smugglers do not work in one country but internationally. Stricter control over diamond cutters will have a very positive effect on the prevention of smuggling.

### **E. Conclusion**

Since the smuggling of diamonds is a very lucrative and profitable crime, we do not expect that it will be curbed in the foreseeable future. As long as there is a market the smuggling will continue.

### 3. Drugs Smuggling

#### A. Introduction

Namibia is not a drug producing country. However, as bad habits tend to spread our brothers and sisters in Namibia have learned the habit of using drugs. Cannabis Sativa is the most Commonly used drug in Namibia Hard drugs like LSD, cocaine and heroine is mostly unknown in Namibia though of late cocaine made its appearance.

#### B. Nature and Extend of Organized Crime

During 1996 the Drug Enforcement Unit have had the following successes:

Cannabis seized	+ 500 kg
Mandrax (Methaqualone)	965 tablets
Cocaine seized	5.7 kg
Arrests	
Cannabis	338
Mandrax	43
Cocaine	3

Cannabis is smuggled from South Africa to either transit Namibia to the Northern Countries or to be sold in Namibia Mandrax is smuggled from our Northern neighbours in transit to South Africa. The route being from the Eastern producing Countries via Central Africa to South Africa.

Cocaine is smuggled on the following identified routes:

- Brazil - Luanda Angola - Namibia - South Africa
- Zambia - Namibia - South Africa
- Angola - Namibia - South Africa
- London - Namibia - South Africa

In March 1996 intelligence learnt us that we (Namibia) had become victim to the West African Drug Trade Countries. However, the Syndicate investigation team are concentrating on them with results shown already in the confiscated cocaine. It was furthermore learned that the smuggling of drugs and more specific cannabis, is closely linked to the smuggling of fire-arms. The money produced by selling drugs is used to buy fire-arms which are then sold again in South Africa. This issue is discussed separately.

### **C. Anti Organized Crime Measure**

An Inter-Ministerial Drug Committee exist in Namibia consisting of representatives from all Government Ministries and relevant NGO'S. The main objectives of this committee is the prevention of drug abuse and the rehabilitation of abusers. The Drug Enforcement Unit trained police officers, immigration and customs officers at all ports entry into Namibia. We have close ties and co-operation with the UNDCP and are regularly hosting training programmes sponsored by the UNDCP and the German Bundes Kriminal Ampt on drug smuggling. We also work in close liaison with the Drug Enforcement Agencies of our neighbouring Police Services.

### **D. Legislation**

The Drug and Drug Trafficking Act which had been revised recently conforms to all UN conventions of 1961, 1971 and 1988.

### **E. Recommendations and Conclusion**

The smuggling of drugs, which poses a threat to the wellbeing of Society in general, can only be prevented by close co-operation amongst all Drug Enforcement Agencies world wide. The dissemination of information amongst agencies is of vital importance for success. Regular training and retraining of specialized units in this field is also an important factor.

## **4. Commercial Related Crimes**

### **A. Introduction**

Organized commercial crimes which include fraud, forged money, etc. is not very high in Namibia at the moment. Some syndicates operate with stolen Government cheques or foreign countries' stolen cheques.

### **B. Nature and Extend**

A total of 14 cases of fraud in which syndicates were involved, were investigated over the last 12 months. The amount involved was N\$18 million (US \$4.5 million). Twelve people were arrested. Except for Namibian citizens, other citizens from Nigeria, Tanzania, the United Kingdom and USA were involved. The production of forged NS \$ dollars was one scheme, while the fraudulent purchase of trucks were used to defraud a commercial bank to the amount of nearly NS \$4 million.

### **C. Anti-Crime Measures**

The media is being used by the Police to inform people on forged money and also any scheme which is being discovered. A Joint: Security and Fraud Committee of Financial Institutions in Namibia was also established and is actively working. The Commercial Unit of the Namibian Police is a member of this committee and we use it as a vehicle to disseminate information to all financial institutions.

### **D. Legislation**

The Roman Dutch Common Law covers fraud but there is also draft legislation on Money Laundering in process. (Money Laundering will be discussed separately).

The following acts are in place: Bank Act; Bill of Exchange Act; Company Act; Hire purchase Act; Copy right Act; Customs and Excise Act; Income Tax Act; Insurance Act; and Insolvency Act.

### **E. Recommendations**

It is recommend that information on fraudulent schemes and criminals in this field, should be circulated amongst Police Agencies on a regular basis. Interpol could play a major role here. The media can also be used more regularly to keep the general public aware of fraud schemes.

### **F. Conclusion**

Organized commercial crime can be minimized if members of Commercial Crime Units receive the necessary training and are properly equipped to fight this crime. The lack of extradition treaties and the lengthy procedures to get criminals extradited also plays a negative role in fighting this type of crime.

## **5. Fire-Arm Smuggling**

### **A. Introduction**

The smuggling of fire-arms, and then in particular AK 47's, from Angola to South Africa via Namibia, has become one of the major organized crime operations in the history of this Region.

### **B. Nature and Extend of Fire-Arm Smuggling**

With the cessation of hostilities in Angola, arms of war (AK 47 rifles) had become redundant to a large extend. At the same time, a crippling draught

is raging in Southern Angola and Namibia and food is a scarce commodity in Angola.

This Situation is being exploited by organized syndicates from Gauteng and Kwa-Zulu Natal in South Africa where a political power struggle is raging between two political groups. The syndicates then started to bring in second hand clothing, food, and also drugs, from South Africa. They then either sell it in Namibia or exchange it for AK 47's and ammunition along the Angola Border. These arms are then smuggled back to South Africa where it is used in the power struggle as mentioned but, also in the so-called "taxi war", armed robberies and car hijacking. Over the past 12 months, 183 AK 47's had been seized in Namibia whilst an unknown number had been seized by the South African Police Service on their side of the border. To have an idea of the immense problem to curb this crime, please keep in mind that the border between Namibia and Angola along which the smuggling can take place is a distance of + 900 km, of which 480 km is an artificial line drawn by the then colonial powers.

### **C. Anti-Crime Measures**

Since 1993 when the smuggling started, the Namibian and South African Police Services have established a joint operation to Combat this crime. The operation is ongoing and can be described as fairly successful.

### **D. Legislation**

The Fire-arms Act is in place and had been revised and approved by parliament. Under the revised act, the possession of an automatic rifle or machine gun is liable on conviction to a minimum of 10 years imprisonment.

### **E. Recommendation and Conclusion**

Close co-operation between police services involved is of vital necessity. The unfortunate Situation that the Angolan Government has no control over the identified area from which the smuggling take place, is a very big obstacle in the fighting of the Crime. However, when the peace process had been fully implemented in Angola, we can expect that this crime will be successfully prevented.

## **6. Motorvehicle Theft**

### **A. Introduction**

The theft and smuggling of motorvehicle in Namibia and the Southern African Region has developed into a highly organized crime. Although more cars are stolen in South Africa every 24 hours than the number for a whole year in Namibia, we are used as a transit route and a dumping ground for syndicates.

### **B. Nature And Extend of The Crime**

For the first nine months of 1996, a total of 423 vehicles had been reported stolen in Namibia. A total of 217 vehicles were recovered over the same period. Apart from Namibian Citizens, people from South Africa, Tanzania, Angola and Zambia were also arrested for vehicle theft.

The most prominent modus operandi used are:

(i) "Knocking" A prospective "buyer" signs an agreement with the seller in which particulars of the vehicle is included. The "buyer" then take the vehicle for a "test drive" and disappear with the vehicle.

(ii) Duplicate Keys Some syndicates employ persons working at motor dealers and panelbeater shops to make prints of the keys of vehicles brought in for repairs. These prints, together with the registration number of the vehicle are then sold to the syndicates who, at a later stage, steal the vehicle using a duplicate key.

(iii) Hire Purchase Vehicles are bought on hire purchase and then sold to smugglers. As soon as the smuggler has cleared the border, the vehicle is reported stolen to claim the insurance money.

### **C. Anti-Crime Measures (Cars)**

The Namibian Police have a Unit which specializes in vehicle theft and identification of stolen vehicles. The necessary measures are also in place that no second hand vehicle can be registered without a Police Clearance Certificate. The media is also used to keep the public informed. Information of stolen vehicles is circulated on a daily basis throughout the country and to neighbouring Police Services. Close co-operation with our neighbours exist.

### **D. Legislation**



An act on motorvehicle theft and related crimes will serve in Parliament before the end of the present session.

### **E. Recommendations**

The quick dissemination of information on stolen vehicle is highly recommended. Good co-operation between the different Police Service is necessary. The harmonization of legislation within the region is also recommended.

### **F. Conclusion**

With effective communication to all border posts and well trained officers at such posts, vehicle theft can to a large extent be curbed within the country.

## **7. Money Laundering**

### **A. Introduction**

Although we can not at present state that we are experiencing problems in this regard, this is an area of concern.

We must admit that this is a very weak point for the Namibian Police. We have neither the expertise nor the experience to handle such a situation.

### **B. The Namibian Scenario**

Namibia became an independent country in 1990. The previous occupying regime did very little or nothing to develop the greater part of the Country. Being a developing third world country, we are in dire need of funds to strengthen our economy, develop the country and create jobs for our people. Investments by foreign countries and companies is strongly encouraged by Government. Namibia has the potential in terms of natural resources, remote and untouched virgin land with breath taking contrasts in nature, making it a dream for tourists and nature lovers. The potential for development in the field of tourism, mining and industry is very attractive. Apart from this, Namibia is regarded as one of the most stable and peaceful countries on the African Continent.

Mr. Chairperson, distinguished delegates;

What better situation could a crime syndicate with hot money wish for?

Cognisance must also be taken of the very attractive exchange rate e.g.  
1 US \$ = N\$ 4.5

1 £ Sterling = N\$ 7.00.

The environment is stable, special tax benefits are offered and not too many questions are asked about the origin of the money. Apart from that, as we have said, we do not really have the expertise to identify a money laundering operation easily. It is a great possibility that money laundering operations had already taken place in Namibia.

### **C. Legislation**

An act on money laundering is being drafted at present in compliance with a request from Interpol in this regard.

### **D. Recommendation and Conclusion**

Close co-operation and sharing of information is strongly recommended. If a specific Police Agency get information that a person(s) from their area, who is known to be involved in crime, is or intend to invest money in another country, such information should be supplied to that Police Agency for action. Interpol can also play a very important role in this regard.

## **8. General Anti-Organized Crime Measures in Souther Africa**

On economic and political level the following Countries in Southern Africa has organized themselves into what is known as the Southern African Development Cooperation (SADC): Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe, and Mauritius since earlier in 1996.

The Police Services of these countries, having to deal with organized and cross border crime, started in 1994 to organize a regional structure for co-operation. This effort resulted in the establishment of an organization called the Souther African Regional Police chiefs Cooperation Organization (SARPCCO). SARPCCO is now in the process of establishing a full time Secretariat which will be situated in Harare, Zimbabwe and is manned by officers seconded from the Police Services of the member countries. Apart from being the SARPCCO Secretariat these officers also man the Sub-Regional Interpol Bureau.

The Secretariat have three legs, namely: Operational; Information and crime intelligence; and Regional Training Co-ordination.

The main functions of SARPCCO are: (i) To plan, organize and

execute anti-crime operations on a Regional level involving the Police Service of all member countries. (ii) To build up a data bank of information on crime and criminals in the Region. The data bank will be accessible to all member countries. (iii) To identify training needs in the Region and coordinate training on Regional level. (iv) To harmonize legislation on criminal matters in the Region.

Since the establishment of SARPCCO in 1995, various operations had already been executed successfully. An E-mail system between the Police Chiefs of member countries, which was sponsored by an organization "Business Against Crime" had been installed in all member countries. The first annual meeting of SARPCCO took place in July 1996 in Namibia. Observers from Central Africa (Uganda), Japan and Pakistan attended this meeting to see how we are organized and structured. This Mr. Chairperson, distinguished delegates, is part of our answer to organized crime syndicates, namely: an organized Policing Syndicate in Southern Africa called SARPCCO.