



Norwegian Crime and Security Survey 2017

Foreword

The Norwegian Crime and Security Survey (Krisino) has been an essential document for several years, not only for the Norwegian Business and Industry Council (NSR), but to our members and the authorities as well. It is for this reason that we are delighted that both our members and the authorities continue to support this survey.

Charting various crime and security challenges in both the public and private sectors is of great assistance to our preventive efforts.

As was done in 2015, in order to be able to utilise and understand the data from the survey, we have ordered a more thorough analysis of selected parts of the survey, performed by PROSCOPE in the care of Roger Stubberud, in collaboration with NSR. This year, we have mainly analysed financial crime and the willingness to report offences.

Although NSR has observed a very positive willingness to cooperate from the National Police Directorate, specialised agencies and the police districts, the analysis shows areas in which the police, inspection authorities and the business sector could all stand to be improved. NSR wishes to further strengthen cooperation and reduce crime affecting business and society as a whole. Krisino's findings and the analyses of these are intended to be used as a foundation to find areas where joint efforts are appropriate.

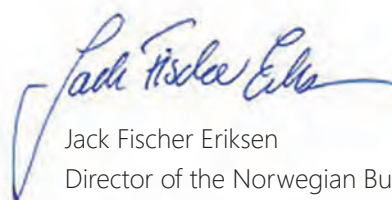
The extension of the business contact at Kripas function to all police districts in the country is a powerful and essential step in the direction of such

joint efforts. Our hope is that the establishment of a national, inter-agency analysis and intelligence centre to combat financial crime will have an impact. One weakness of this centre is that the business community is not represented.

Major expectations are put on the local police reform, and NSR hopes the reform will lead to improved competency and better resources for police districts to investigate both economic and computer crime.

We believe the survey findings, and their analysis, will be of use to both the business community and the authorities in their efforts to prevent crime against, and within, the business community.

NSR wishes to thank everyone who has supported us in making this survey a possibility!



Jack Fischer Eriksen
Director of the Norwegian Business
and Industry Council.



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Summary

This is the eighth edition of the Norwegian Crime and Security Survey – KRISINO. The survey was conducted for the first time in 2006, and was thereafter an annual survey until 2009. Since 2009, KRISINO has been conducted every other year. The survey builds on replies from a selection of managers and security administrators at 2000 private and 500 public institutions.

Security

The number of businesses with a written risk assessment for crime within or against the company is steadily increasing. In 2009, only 20 percent of businesses had such a risk assessment, dropping to 16 percent in 2013 before increasing to 23 percent in 2015. This year, 28 percent have one. There is a vast difference between the private and public sector in this area. 46 percent of public businesses have risk assessments, compared with 24 percent of private companies. This remains an increase in both sectors compared to 2015, however. The size of the company is highly significant, and the group that is currently most likely to have a written risk assessment is major private companies.

In 16 percent of businesses, one or more people have read PST's threat assessment, while the equivalent number for the NSM risk assessment is 11 percent. Both are more commonly read in public companies than in private ones, and in larger companies as opposed to smaller ones.

Reference checking is the most common inspection measure at hiring. 95 percent of public and 76 percent of private companies check references.

Certificate authentication is much less common, being conducted by 55 percent of public and only 25 percent of private companies. Internet searches and identity checks are performed by 72 and 56 percent in the public sector and 53 and 38 percent in the private sector. All four of the inspection measures we asked about are more likely to be performed in the public, as opposed to the private sector.

Companies doing business in countries with a high risk of corruption are increasingly likely to investigate their partners' management structure and history to ensure that their business practices are ethical and that they have no connection to illegal activities. In 2015, 44 percent of these businesses reported that they always conducted such investigations of their partners, compared with 62 percent today.

Financial crime

Perceptions of the chance of being discovered by tax authorities when failing to report all taxes and fees has remained stable since 2015. On this question, there has been a positive development compared with studies leading up to 2013, and the

results have remained stable since 2013. 21 percent believe there is a low or very low chance of being discovered by tax authorities. This is identical to 2015.

A large portion of Norwegian businesses have been exposed to fraud attempts in the form of high-pressure sales by phone (68 percent have experienced this), invoices for goods/services that were never ordered (64 percent), offers made to resemble invoices (33 percent) and CEO fraud (13 percent). Companies doing business internationally are more likely to be exposed to CEO fraud. 23 percent of these companies have encountered this type of fraud, without being more likely to encounter other types of fraud than other businesses.

Reporting

Over the past year, 10 percent of businesses have encountered criminal offences that went unreported. Among the companies encountering offences that went unreported, 63 percent experienced acquisitive crimes, 16 percent were financial crimes, 10 percent cybercrime and 20 percent were other crimes. The key reason these businesses did not report the incidents was that they believed the police would generally drop the case.

CCTV

28 percent of the businesses use CCTV, and out of these, nearly 3 out of 10 have experienced that unwanted incidents could not be documented due to the recording having been deleted by the time the incident was discovered. Among those who were unable to document unwanted incidents due to deleted footage, nearly 6 out of 10 believed this was important in deciding whether the incident would be reported or not.



Introduction

Background

Opinion has conducted the Norwegian Crime and Security Survey in collaboration with the Norwegian Business and Industry Council – KRISINO™ for the eighth time running. The survey is based on a questionnaire given to 2500 businesses in the private and public sectors. The questionnaire has been developed in accordance with the Norwegian Business and Industry Council and Opinion.

Population

The population for this survey is comprised of Norwegian businesses in the private sector as well as companies in the public sector. The sample of companies in the private sector includes entities (businesses) with at least 1 employee in NACE codes 01-82. The public sample is based on NACE codes 84-92, and has been pruned to remove private companies that fall under these NACE codes. Private companies belonging to NACE codes 82 and above are not represented in this survey. The survey sample is drawn from Lindorff's database. These have been retrieved from the Central Coordinating Register for Legal Entities, but have also been cross-referenced with the Business Register and Rosa Sider to find companies that are active, i.e. that have a telephone number. Companies without a telephone number will therefore not be represented in the sample.

Two samples have been taken for the survey, one for private businesses (2000) and one for public institutions (500). The public sample is fully randomised, but it excludes nursery and primary schools. In the private sector, a stratified sample has been made, with four mutually exclusive strata:

- Companies with 1 to 4 employees
- Companies with 5 to 19 employees
- Companies with 20 to 99 employees
- Companies with 100 or more employees

A simple randomised sample has been drawn from each level. Results among private businesses have been weighted by location, industry and size with a foundation in accurate population sizes (based on the Company and Business register (BoF) from Statistics Norway).

Data collection

Data was collected through telephone interviews (CATI) in the period from May 16th to June 16th, 2017.

Error margins

Opinion notes that all surveys entail error margins. These error margins primarily involve statistical uncertainty. There are sampling biases, which prevent the sample from being identical to all cases or to the target population. These difference may relate to certain characteristics or behaviours.

At 2500 respondents or interviews (n=2500), we can claim with 95 percent probability that the exact result is within ± 0.9 and ± 2.0 percentage points, independent of the percentage size. Uncertainty is at its highest at percentage results of 50 percent, and at its lowest with percentage results of 5 percent/95 percent.



Characteristics

Survey respondents have the following distribution across the private and public sectors:

Sector	Number (n)	Share Interviewed
Private	Private	80.0 %
Public	500	20.0 %
Total	2502	100.0 %

Geography

Below is an overview of the respondents location by county:

County	Private sector	Public sector	No. Interviews (n)	Share Interviewed
Østfold	99	15	114	4.6 %
Akershus	241	39	280	11.2 %
Oslo	271	34	305	12.2 %
Hedmark	74	20	94	3.8 %
Oppland	84	30	114	4.6 %
Buskerud	114	21	135	5.4 %
Vestfold	99	17	116	4.6 %
Telemark	69	17	86	3.4 %
Aust-Agder	41	14	55	2.2 %
Vest-Agder	66	15	81	3.2 %
Rogaland	171	35	206	8.2 %
Hordaland	191	50	241	9.6 %
Sogn og Fjordane	68	15	83	3.3 %
Møre og Romsdal	98	41	139	5.6 %
Sør-Trøndelag	106	29	135	5.4 %
Nord-Trøndelag	31	19	50	2.0 %
Nordland	88	53	141	5.6 %
Troms	55	24	79	3.2 %
Finnmark	36	12	48	1.9 %
Total	2002	500	2502	100 %

Business size

The survey encompasses businesses of all size groups.

Business size	Private sector	Public sector	No. Interviews (n)	Share Interviewed
1 to 4 employees	504	52	556	22.2 %
5 to 19 employees	890	120	1010	40.4 %
20 to 99 employees	452	168	620	24.8 %
100 or more employees	154	160	314	12.6 %
Total	2000	500	2500	100 %

Industry

The survey encompasses businesses in the following industries:

Industry	Private sector	Public sector	No. Interviews (n)	Share Interviewed
Primary	28		28	1.1 %
Industry etc.	332		332	13.3 %
Construction	204		204	8.2 %
Retail	741		741	29.6 %
Logistics	75		75	3.0 %
Hotel/restaurant	133		133	5.3 %
Service	487		487	19.5 %
Public administration		156	156	6.2 %
Education		65	65	2.6 %
Health / social services		254	254	10.2 %
Cultural activities		25	25	1.0 %
Total	2000	500	2500	100 %

1. Security

The topic of security encompasses risk assessment within the company, background checks for potential partners and inspection measures with regard to hiring.





1. Security

1.1 Risk assessment

There is an increase in the number of businesses that produce written risk assessments. Nearly 3 out of 10 businesses have a written risk assessment, and the proportion of companies with such risk assessments has increased by 5 percentage points since 2015, and by 12 percentage points since 2013.

Question: Does the business have a written risk assessment for crimes within or against the business?

A far greater portion of public businesses have written risk assessments when compared with the situation among private businesses. 46 percent of the public institutions have written risk assessment, while the equivalent in the private sector is 24 percent.

This difference between the private and public sector is one that has been seen in prior surveys as well. However, it remains an increase in the number of businesses that have written risk assessments, independent of sector. In the private sector, the proportion has increased from 18 to 24 percent, while it has increased in the public sector from 41 to 46 percent.

Figure 1 Written risk assessments (n=2502)

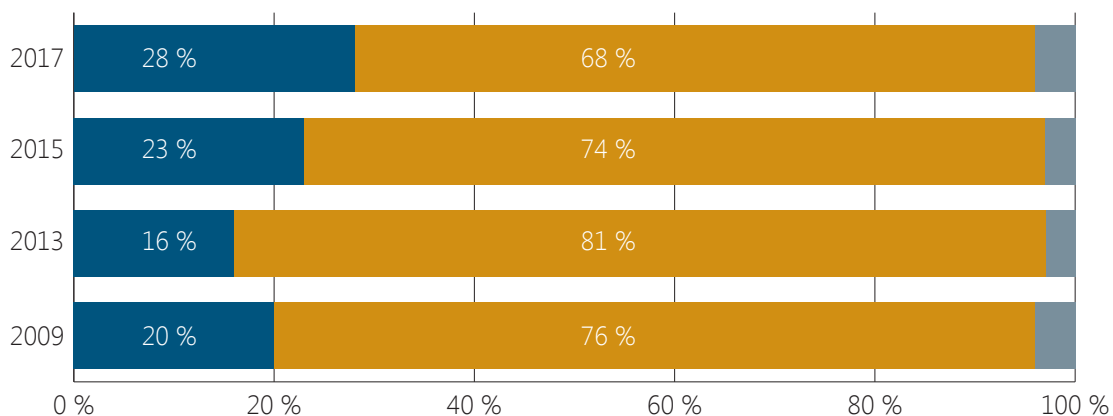
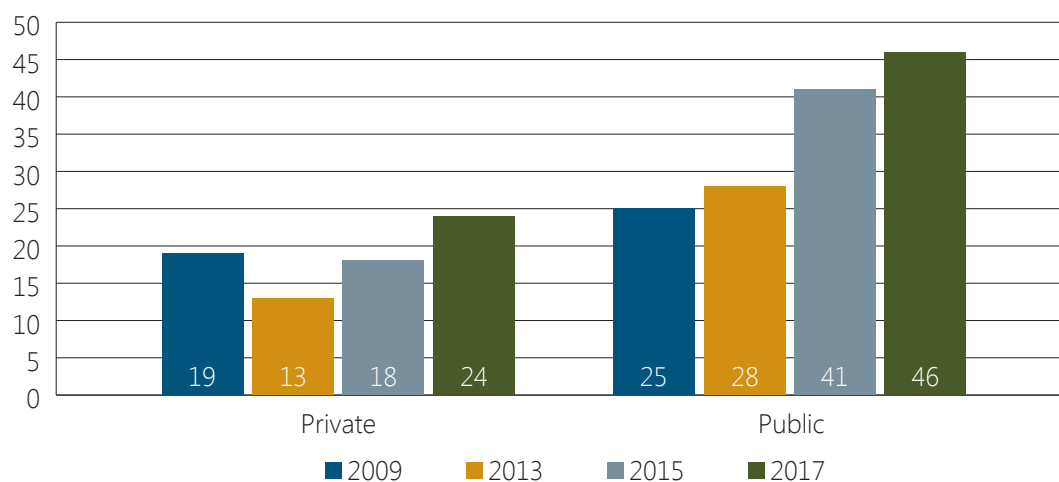
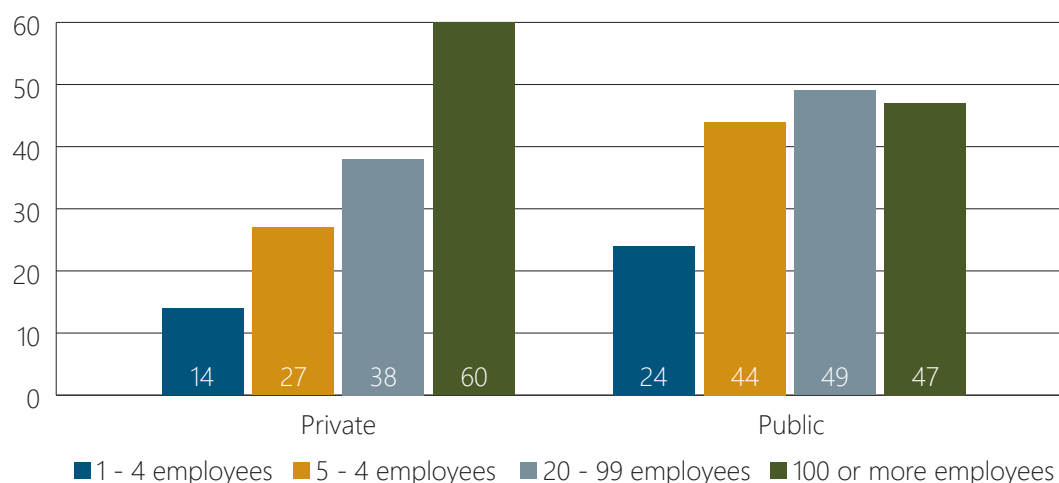


Figure 2 Portion of companies with written risk assessments



The size of the company plays a major part, and the group most likely to have a written risk assessment is major private companies with 100 or more employees.

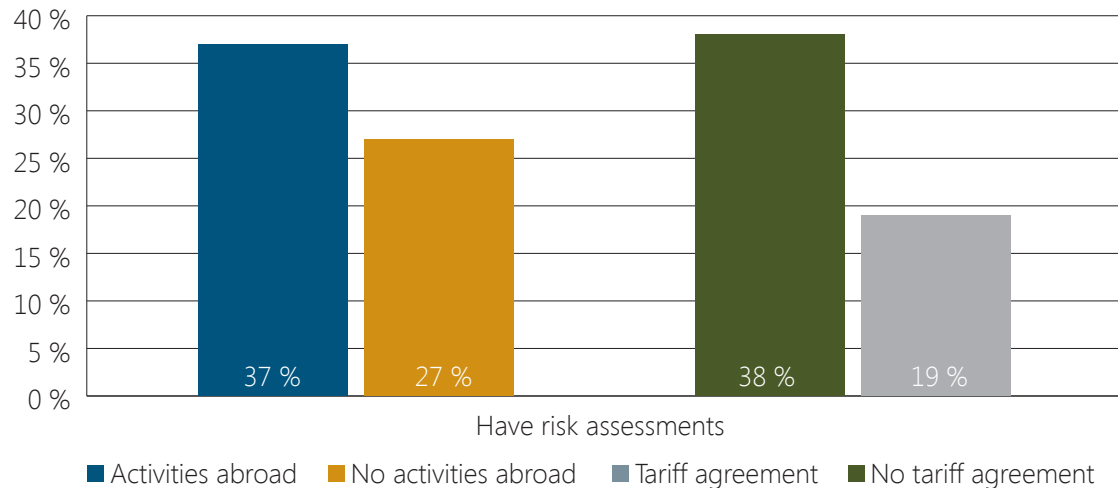
Figure 3 Risk assessment and company size



Companies encompassed by tariff agreements have, to a greater extent than others, produced written risk assessments, with the same being the case for companies with activities abroad. This is in line with findings from the 2013 and 2015 surveys.

1. Security

Figure 4 Proportion of businesses with risk assessment - activities abroad and tariff agreements



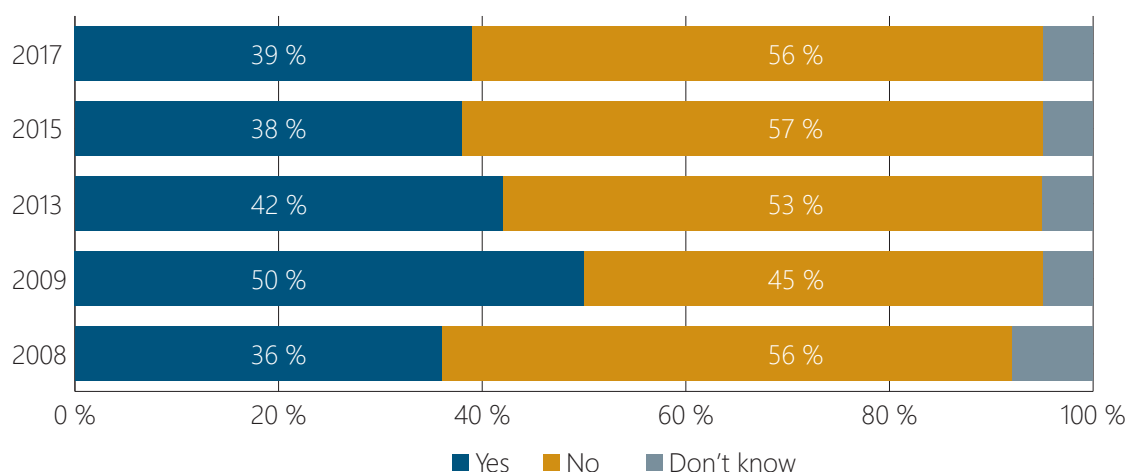
Businesses in construction and industry are those least likely to have written risk assessments, whereas public administration, education, healthcare and social service are the most likely to do so. Among the "private" industries, service industries, transport and accommodations/dining businesses are those most likely to have written risk assessments.

Those who replied that they had a written risk assessment received follow-up questions regarding when it was developed and revised. 22 percent of the businesses report that the risk assessment was developed for the first time in the last 12 months, while 63 percent have revised it in the past 12 months.

Those who have a written risk assessment received an additional follow-up question asking whether the risk assessment led to the implementation of measures to prevent criminal activity. For nearly 4 out of 10 businesses with risk assessments, the assessment resulted in the implementation of measures to prevent criminal activity. This is on par with 2015, but lower than 2009 and 2013.

Question: Did this risk assessment lead to the implementation of measures to prevent criminal activity at your business?

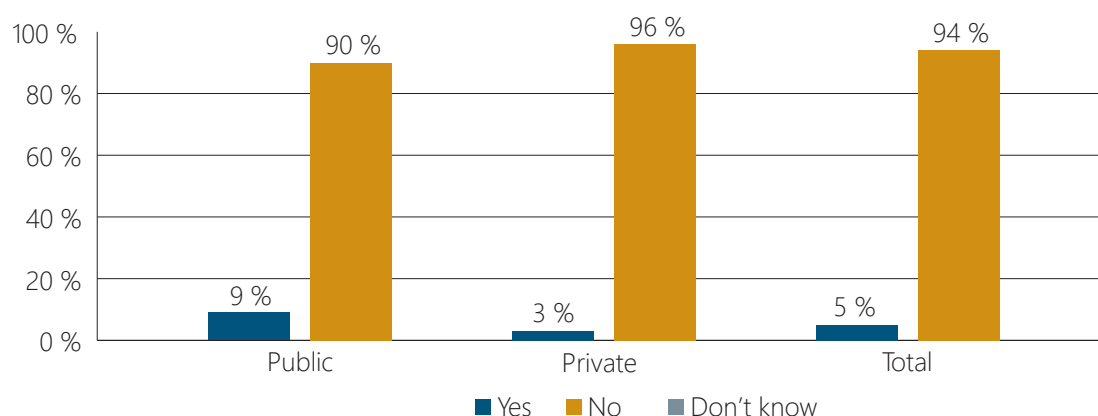
Figure 5 Measures against criminal activity resulting from risk assessment (n=703)



One question that was asked for the first time in 2013 was about whether the business has one or more employees working full-time in security and crime prevention. Over the past two years, the proportion of companies with such employees has remained stable.

Question: Does your business have one or more employees working full-time in security and/or crime prevention? (This does not apply to security with regard to HSE, but security from a crime prevention perspective)

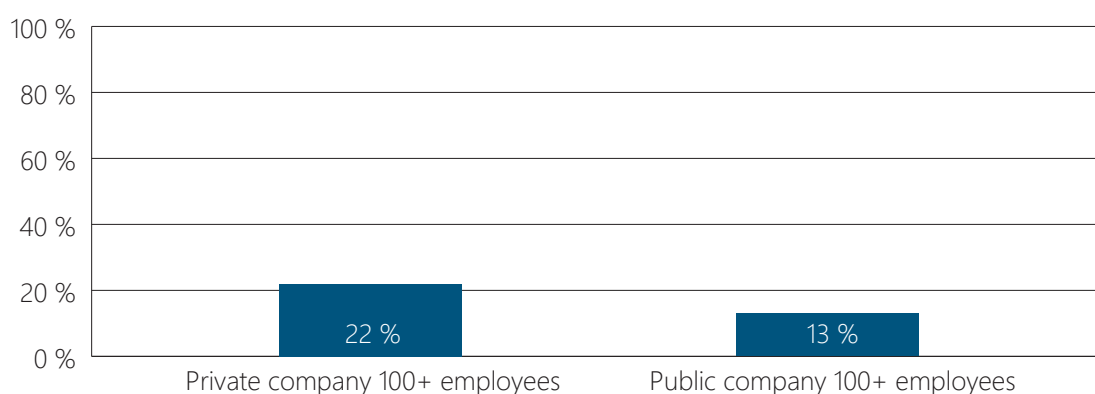
Figure 6 Employee working in crime prevention and/or security



1. Security

In the public sector, companies in public administration are most likely to have employees working in crime prevention and security (16 percent). Among major companies, there is a greater proportion of businesses with security employees than public sector companies with the same. 22 percent of private companies with 100 or more employees have full-time employees in such positions, while the equivalent for public companies with 100 or more employees is 13 percent.

Figure 7 Employee working in crime prevention and/or security – 100 employees or more



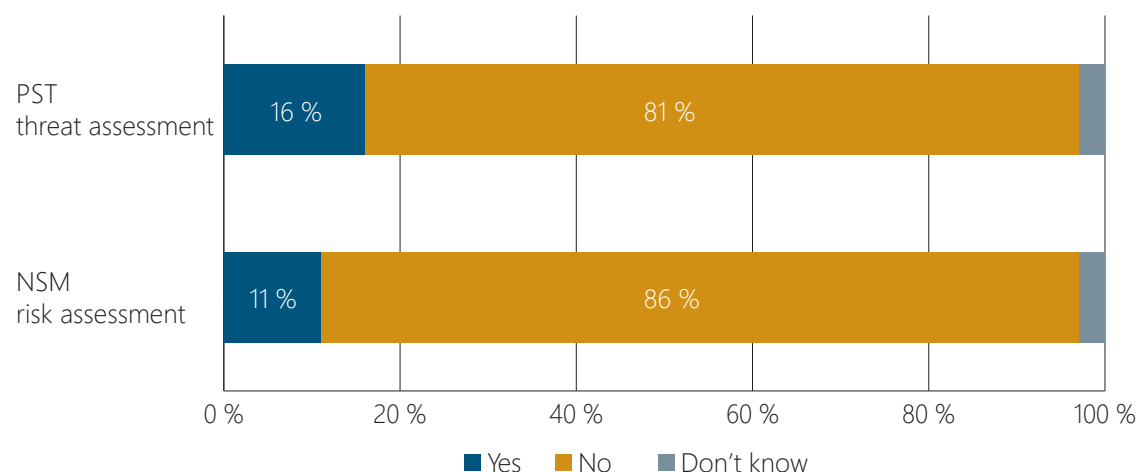
The companies most likely to have full-time employees in such positions are major private businesses.

1.2 Threat assessment

In 2015, 4 percent of Norwegian businesses had acquired PST's open threat assessment. In 2017, this question has undergone some changes, and now includes NSM's risk assessment as well.

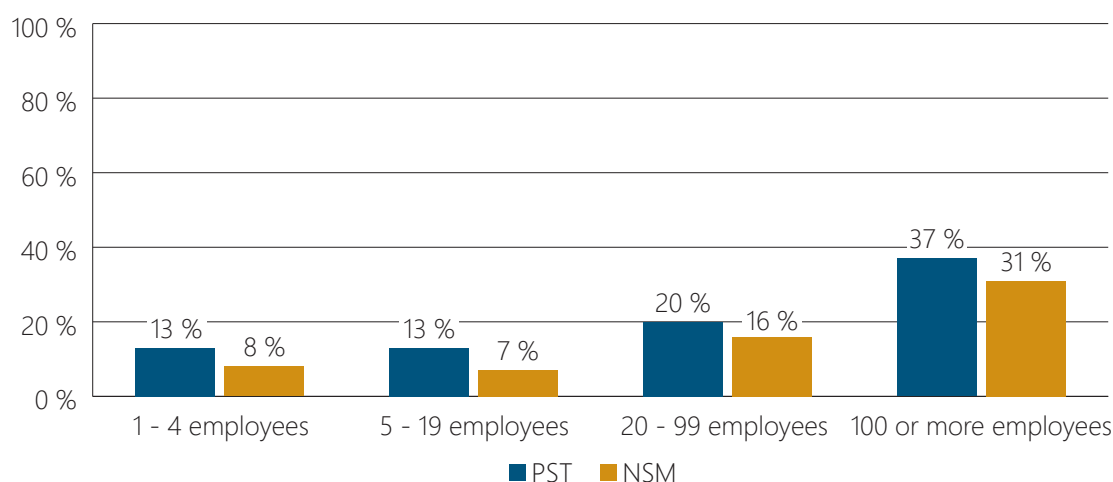
Question: Have you or anyone else in your business read any of the following:

Figure 8 Read PST's threat assessment/NSM's risk assessment (n=2502)



In the private sector, 14 percent have read PST's threat assessment, compared with 26 percent in the public sector. The equivalent figures for the NSM risk assessment is 8 and 21 percent, respectively. There is a difference between smaller and larger businesses in this question, and the pattern is the same in both the private and public sectors.

Figure 9 Percentage of companies that have read PST's open threat assessment/NSM's risk assessment

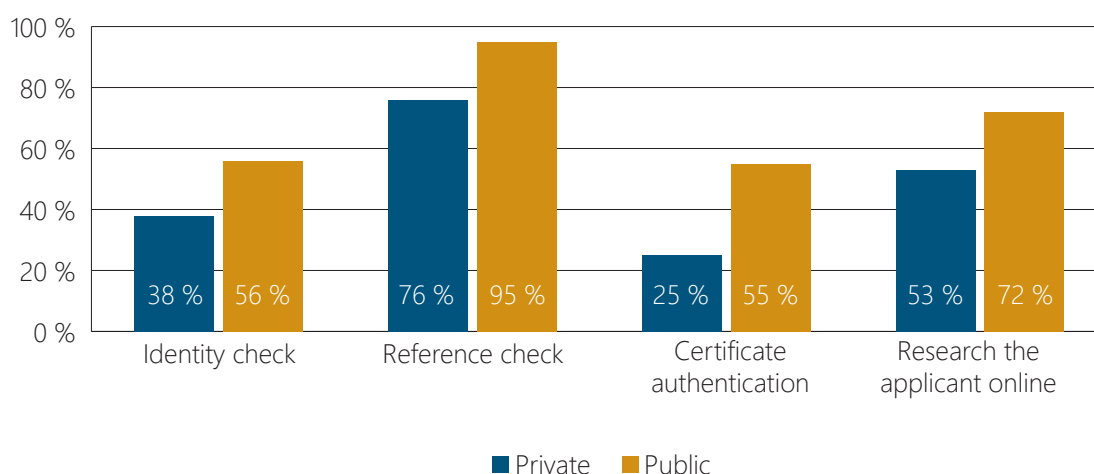


1.3 Inspection measures at hiring

Inspection measures at hiring are level with 2013. Reference checking is the most common inspection measure and all measures are more likely to be performed in the public sector than in the private sector.

Question: Has your business completed the following in a hiring process?

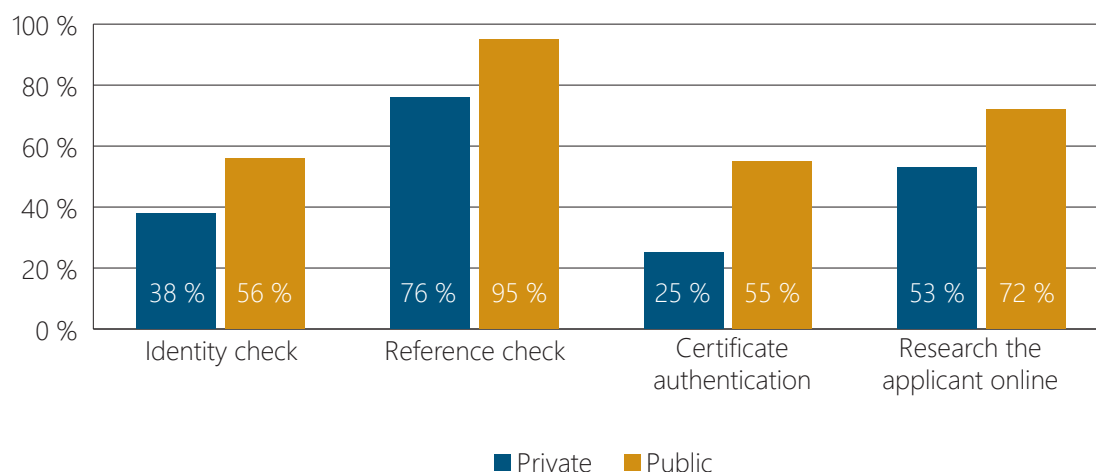
Figure 10 Inspection at hiring (respondents replying "yes") (n=2502)



1. Security

Question: Has your business completed the following in a hiring process?

Figure 10 Inspection at hiring (proportion replying "yes") (n=2502)



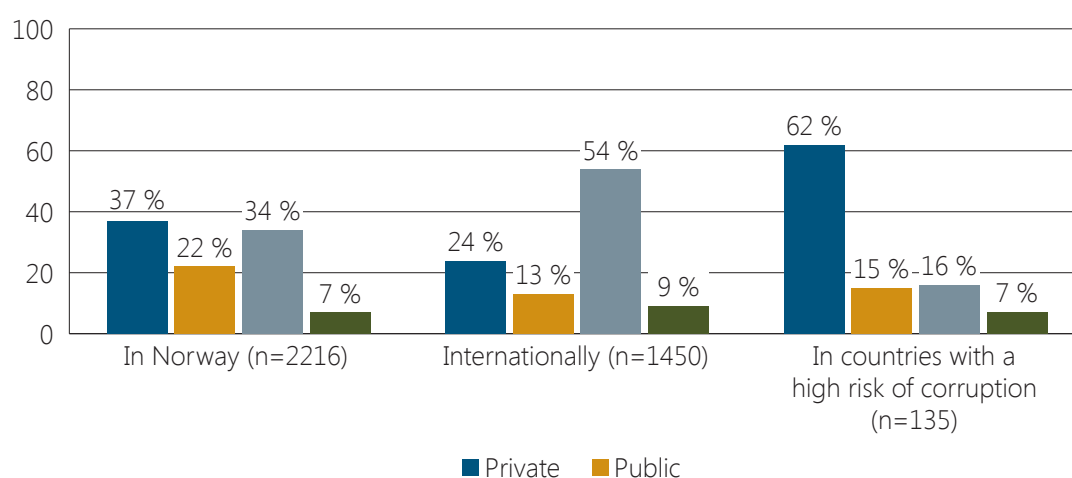
There is a significant difference between private and public businesses for all of these conditions. Among the "private industries", the transport industry is more likely than others to perform identity checks as well as certificate/document authentication, while construction and industry are less likely to do so.

1.4 Partner inspection

The businesses are asked if they conduct inspections of partners in Norway, abroad, and in countries with a high risk of corruption to ensure that they are not involved in illegal or unethical activities. For a number of businesses, this is not a particularly relevant question, unless they have few partners in Norway or abroad. The figure below therefore includes all businesses in partnerships that apply to Norway and internationally, except for the ones that reply "not applicable" (interpreted to mean that they do not have partners that could reasonably be inspected and/or do not cooperate with international partners), and only companies that operate in countries with a high risk of corruption are included with regard to situations involving countries with a high risk of corruption.

Question: Does your business perform inspections of ownership, structure and history to ensure that partners/suppliers maintain ethical business practices and are not linked with illegal or unethical actions when entering partnerships...

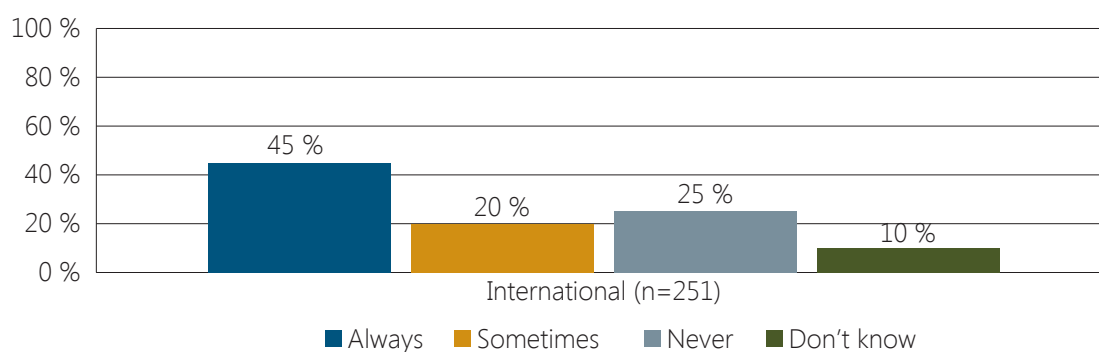
Figure 11 Inspection of partners



37 percent reply that they always conduct inspections of partners in Norway, while an almost equally-sized share reply that they never do. 54 percent never perform inspections of international business partners. The numbers pertaining to both Norway and international activity are level with those from 2015. Among businesses that report activity in countries with a high risk of corruption, however, a larger share reports that they always investigate their partners. In 2015, 44 percent would do this, whereas now 62 percent do.

If we only look at businesses with activities abroad in the form of departments, parent, associated and subsidiary companies or employees who work on projects overseas, 45 percent always perform inspections of their partners, while 25 percent never do.

Figure 12 Inspection of international partners among companies with activities abroad (n=251)



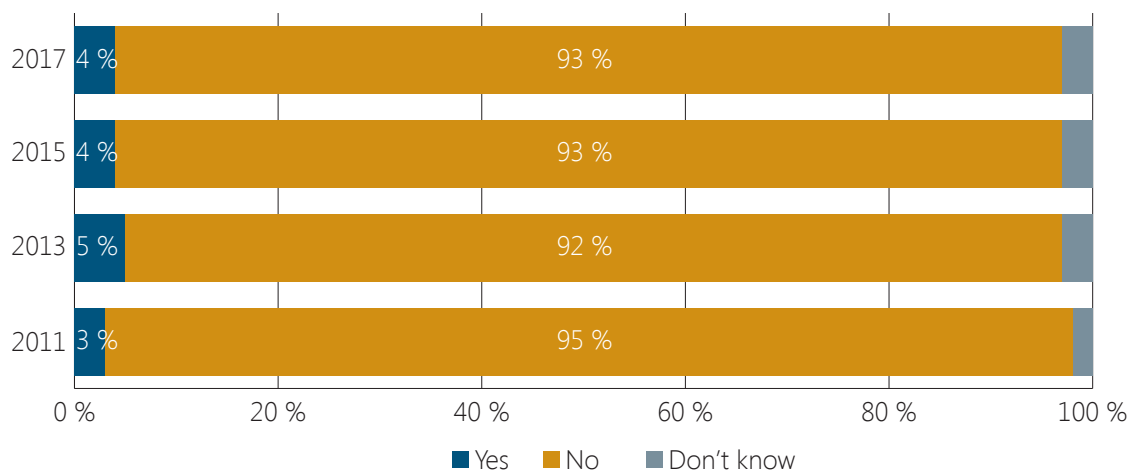
1. Security

1.5 Threats to employees


In 4 percent of Norwegian businesses, an employee with authority to make decisions, or with access to sensitive information has experienced threats with demands to perform undesirable actions in the course of their work. These results are identical to those found in 2015.

Question: Has an employee at your business with the authority to make decisions or access to sensitive information encountered threats to themselves to to their family with demands to perform undesirable actions in the course of their work?

Figure 13 Threats to employees (n=2502)



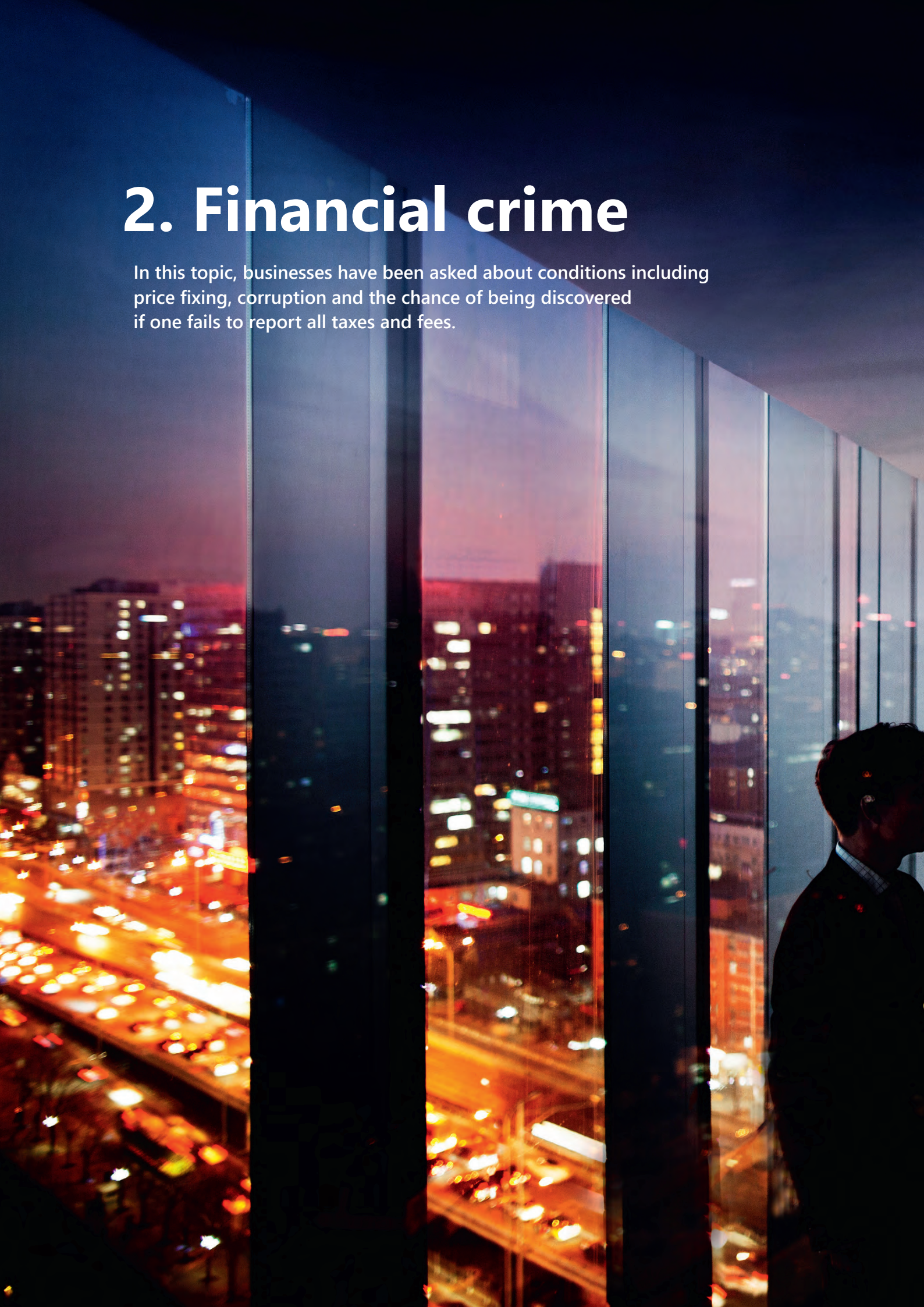
Such incidents are more common in the public sector than in the private. Among public institutions, 9 percent have encountered this, whereas in the private sector, this figure is as low as 2 percent. A similar difference was also found in 2015 (10 and 2 percent). From 2013 to 2015 there was a small, but significant drop in the public sector from 13 percent in 2013 to 10 percent in 2015. This is most likely to occur in healthcare and social services, where it has happened in 12 percent of businesses.

A person wearing a dark blue uniform with white stripes on the sleeve is holding a silver smartphone. The person's hands are visible, and they are looking down at the phone. The background is dark and out of focus.

In 4 percent of Norwegian businesses, an employee with authority to make decisions, or with access to sensitive information has experienced threats with demands to perform undesirable actions in the course of their work.

2. Financial crime

In this topic, businesses have been asked about conditions including price fixing, corruption and the chance of being discovered if one fails to report all taxes and fees.





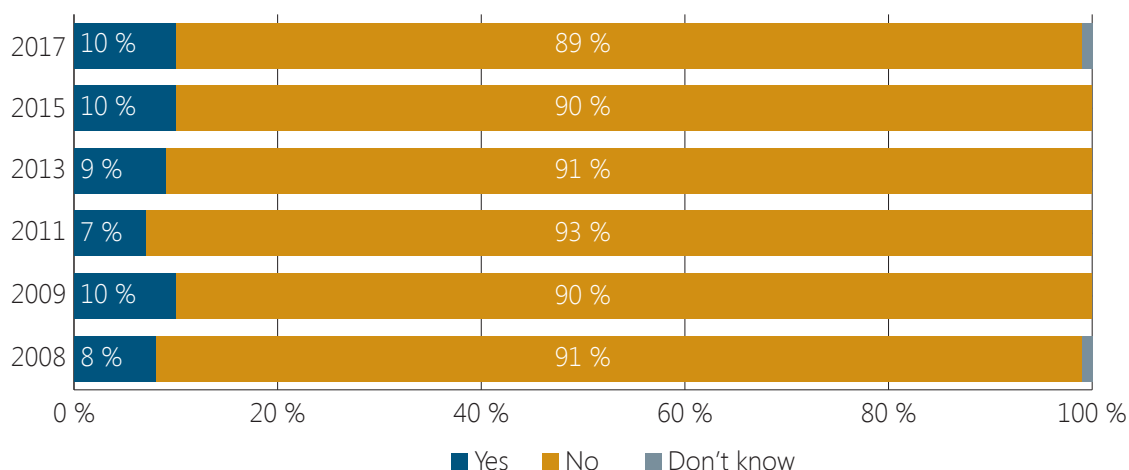
2. Financial crime

2.1 Corruption and price fixing

In previous KRISINO surveys, questions were raised as to whether the respondent knew of anyone attempting to offer bribes to employees of their company. Knowledge of such situations has been very low, at between 2 and 3 percent. When it comes to knowledge of corruption in their own industry, the percentage is somewhat higher.

Question: Have you, in the course of your work, acquired knowledge of concrete examples of corruption in your industry in the past 12 months? This does not apply to examples of corruption you have become aware of through the media.

Figure 14 Knowledge of corruption in own industry (n=2502)

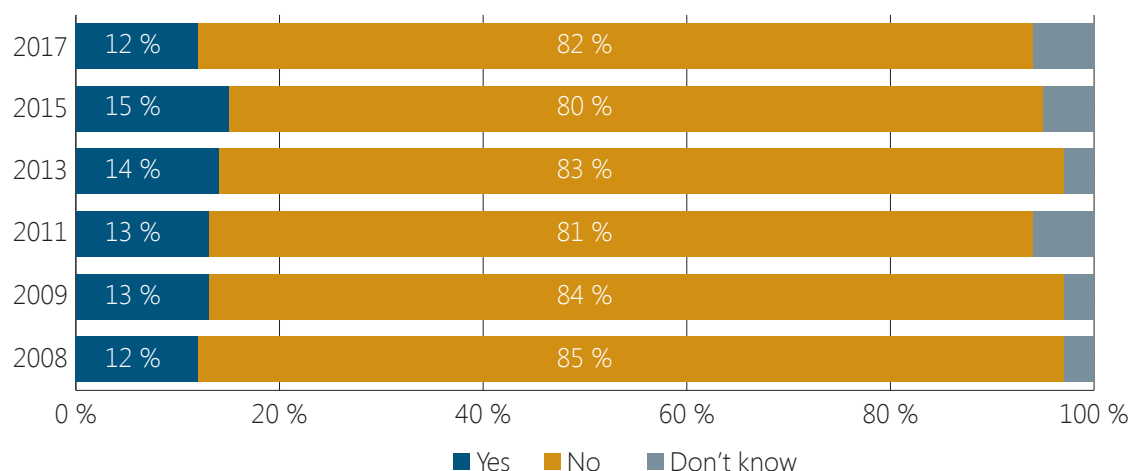


10 percent are aware of corruption occurring in their own industry. This is level with findings from prior surveys, but the trend has risen from 2011 to 2015/2017. In the private sector, 10 percent are aware of corruption, while in the public sector, this figure is at 8 percent. Knowledge was at its highest in the transport industry (18 percent).

With regards to price fixing in their own industry, 12 percent say they are aware of instances, compared with 15 percent in 2015.

Question: Are you aware of price fixing taking place between parties in your industry? This does not apply to examples of price fixing you have become aware of through the media.

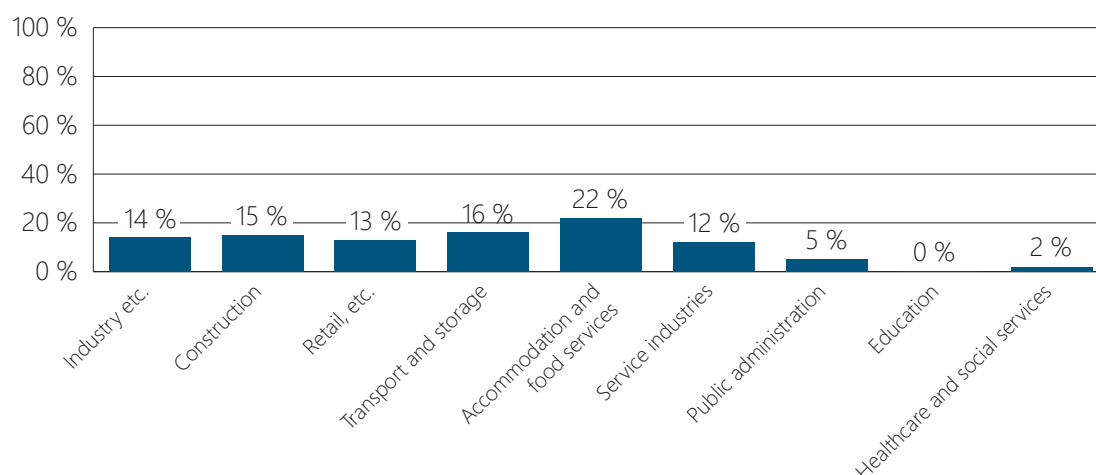
Figure 15 Knowledge of price fixing (n=2502)



12 percent of Norwegian businesses are aware of price fixing between parties in their industry. This question is most relevant for companies in the private sector, and here, 14 percent are aware of price fixing (compared with 3 percent in the public sector). In 2015, 17 percent in the private sector were aware of price fixing.

In some industries, there was relatively widespread awareness of price fixing. In accommodation/food services, 22 percent are aware of price fixing, while the other "private industries" are between 12 and 16 percent.

Figure 16 Knowledge of price fixing in own industry



2. Financial crime

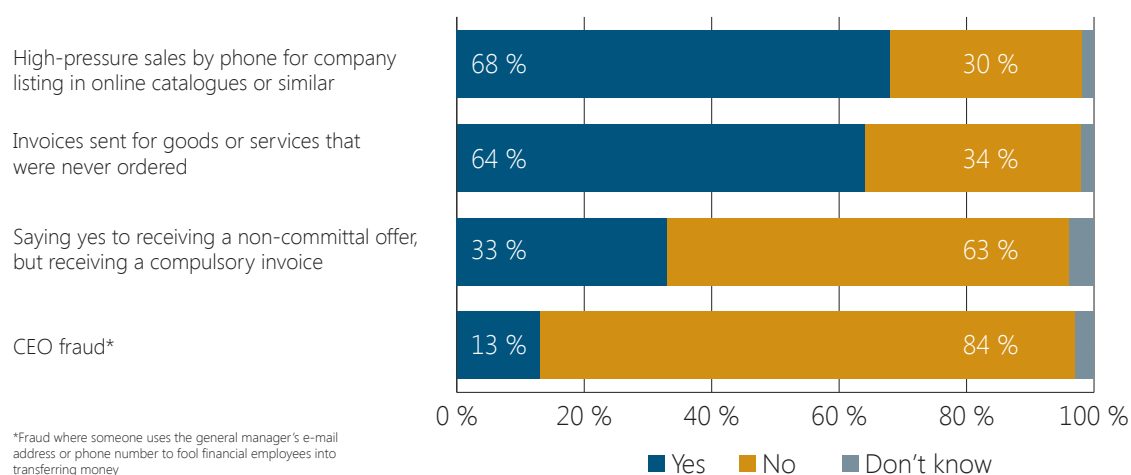
Furthermore, we find that knowledge of corruption and price fixing are linked, and among companies that are aware of corruption, 30 percent are also aware of price fixing.

2.2 Fraud

Compared with 2015, a lower percentage of businesses have been exposed to high-pressure sales by phone for company listings in online catalogues or similar services. Where 2015 saw 78 percent of businesses experiencing this, 68 percent had the same reply in 2017. We asked about CEO fraud for the first time in 2017, and 13 percent of businesses have been exposed to this.

Question: Has your business suffered fraud or attempted fraud through one of the following methods?

Figure 17 Fraud attempts (n=2502)



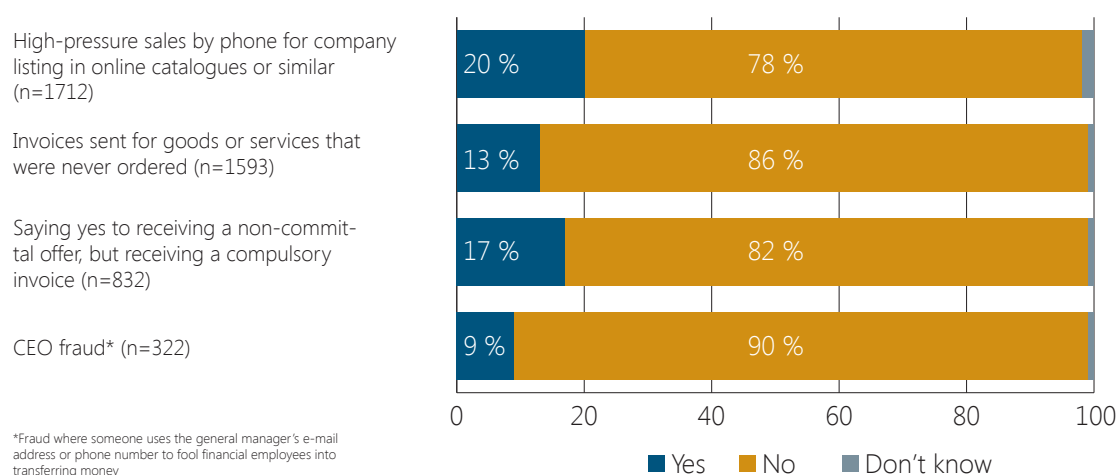
Despite the drop in high-pressure sales by telephone, this tactic remains something 7 out of 10 business are exposed to. Businesses in the private and public sector are equally likely to suffer this fraud tactic (69 and 67 percent), while private businesses are more exposed to the other three methods when compared with the public sector. 66 percent of private businesses have received invoices for products or services that have not been ordered, while 53 percent of public businesses have experienced the same. With regard to offers made to resemble compulsory invoices and CEO fraud, 35 and 14 percent of private businesses have experienced these, compared with 28 and 9 percent of the public companies.

Companies with international activities are exposed to CEO fraud more often. 23 percent of those with activities abroad have experienced CEO fraud, with an equally large share of companies with activities in countries with a high risk of corruption encountering this tactic. These companies are not more exposed to the other methods of fraud than other companies, however.

To the question regarding whether the various fraud attempts led to financial losses, high-pressure sales and offers made to resemble invoices were the most likely to result in losses. Respectively, 20 and 17 percent of those exposed to these methods of fraud also suffered financial losses. Among those exposed to CEO fraud, 9 percent suffered financial losses as a result.

Question: Did the fraud or fraud attempt [if question 13 was replied with a "yes"] result in financial losses for the company?

Figure 18 Financial losses for each of the four fraud methods



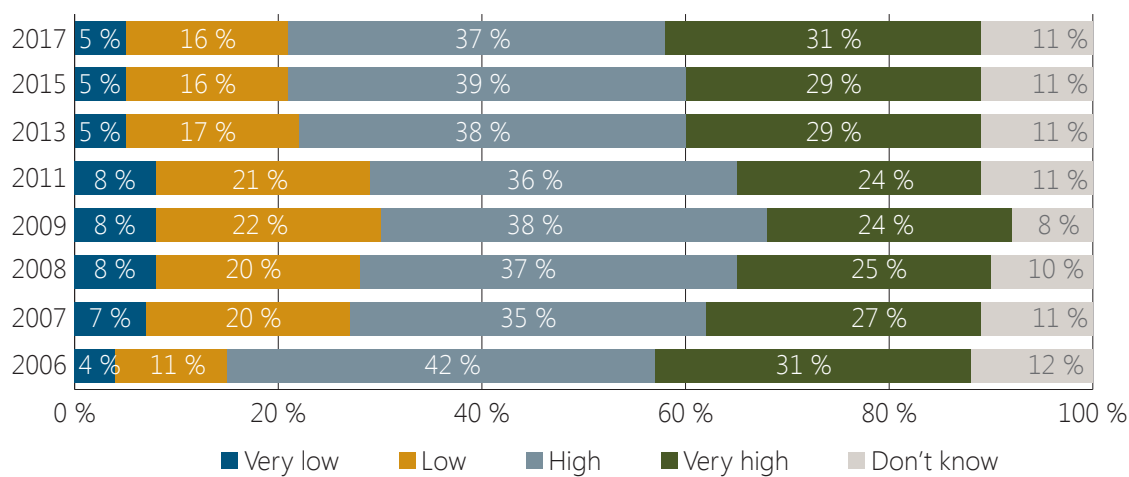
2.3 Discovery risk and attitudes

The perception of the chance of being discovered for failing to report all taxes and fees is a condition measured in all KRISINO surveys. From 2006 to 2007, there was a negative development, where a rising share of respondents perceived the chance of discovery as being low. From 2007 to 2011, this perception remained stable, while a positive development was seen from 2011 to 2015. Compared with 2015, we have a nearly identical result in 2017.

2. Financial crime

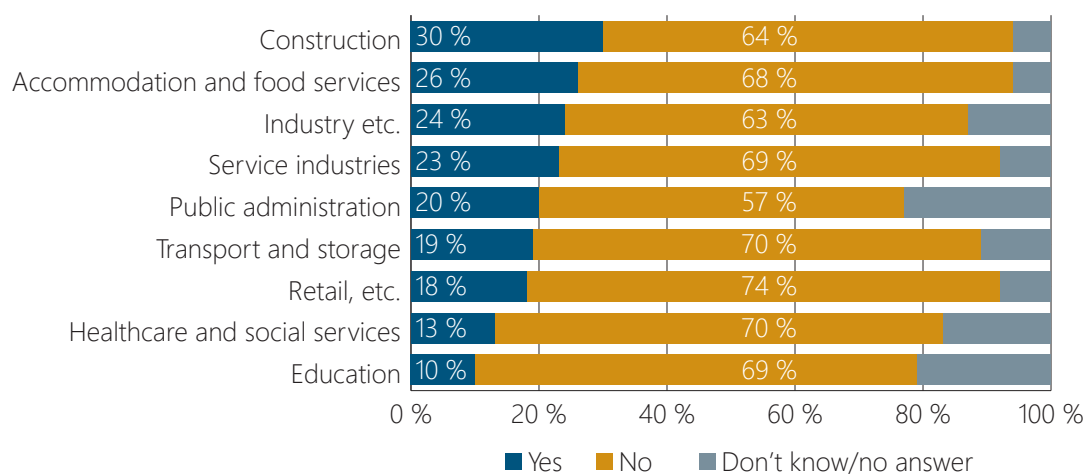
Question: If a company in your industry fails to report all taxes and fees, what do you think the chances are of the tax authorities discovering this. Is it very low, low, high, or very high?

Figure 19 Risk of discovery by tax authorities (n=2502)



In 2009, 30 percent believed the chance of being discovered by tax authorities was very low or low, and 62 percent believed the chance was high or very high. In 2017, 21 percent believe the chance is low or very low, and 68 percent believe the risk is large or very large. Attitudes to this question have changed since the “worst” figures in 2009, and the change occurred between 2011 and 2013. There has been no change since 2013.

Figure 20 Perception of the chance of discovery in various industries (very low and low are collapsed into low, very high and high are collapsed into high)

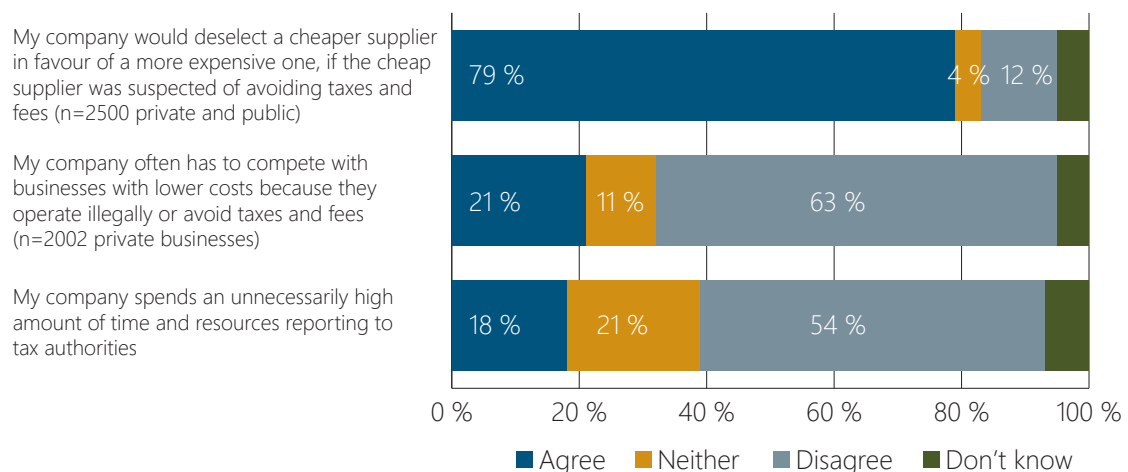


Views of the extent to which there is a high or low chance of discovery varies from industry to industry. In construction, 30 percent believe the chance is low. In 2015, 42 percent in this industry felt this way, so there has been a change in perception in the construction industry.

As in 2015, the construction industry is where the perception that businesses must compete with companies that have lower expenses due to illegal operations or tax or fee evasion is most prevalent. While 21 percent of private companies report this, all of 43 percent in the construction industry experience this. The same pattern was present in 2015 as well.

Question: I will now read out some claims, and would like you, on behalf of your business, to state the extent to which you agree or disagree with these statements. I will ask you to use a scale from 1 to 5, where 1 is strong disagreement, and 5 is strong agreement.

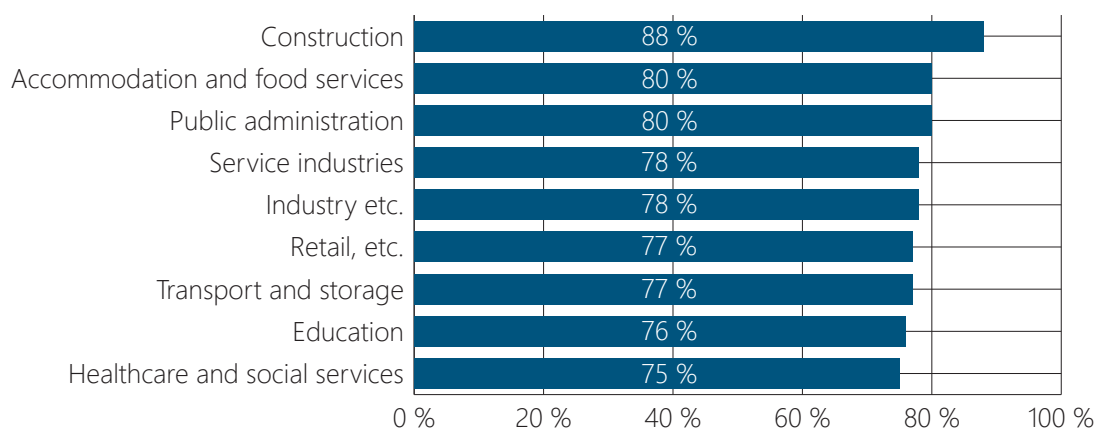
Figure 21 Avoidance of taxes and fees



Companies in the construction industry are also the ones most likely to deselect a cheap supplier if they suspect it is avoiding taxes and fees (88 percent). These findings are also in keeping with our results from 2015.

2. Financial crime

Figure 22 Percentage agreeing that they would deselect the cheapest supplier on suspicion of tax or fee avoidance



18 percent of businesses feel they spend too much time reporting to tax authorities. Accommodation/food services and service industry companies tend to hold this opinion to a greater extent than others, but there is no particularly clear pattern to this question.



3. Reporting

This topic encompasses the willingness to report, type of crime, including inside threats and reasons for not reporting illegal activities.



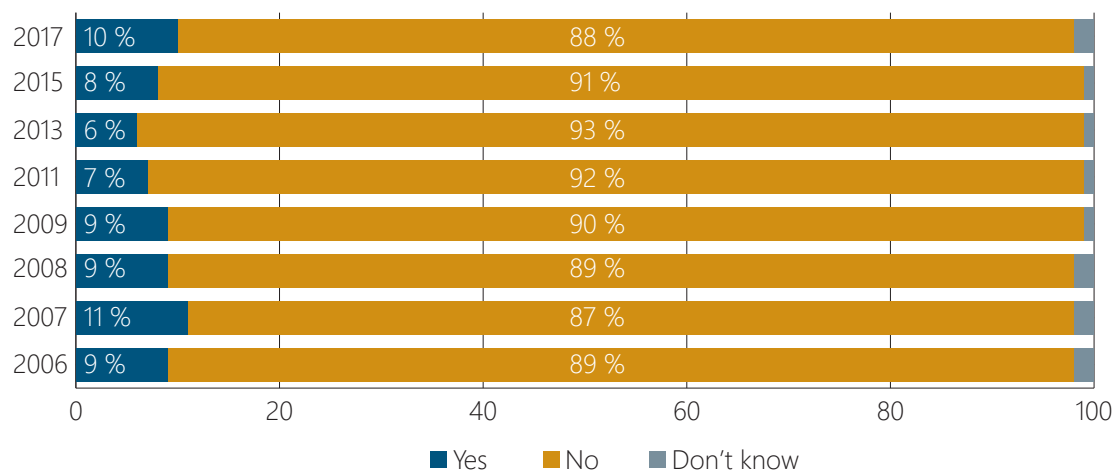
3. Reporting

3.1 Unreported offences

Questions regarding whether the company has experienced illegal activity that goes unreported have been asked in all KRISINO surveys

Question: Has your business been exposed to criminal activities in the past 12 months that went unreported?

Figure 23 Criminal offences that went unreported (n=2502)

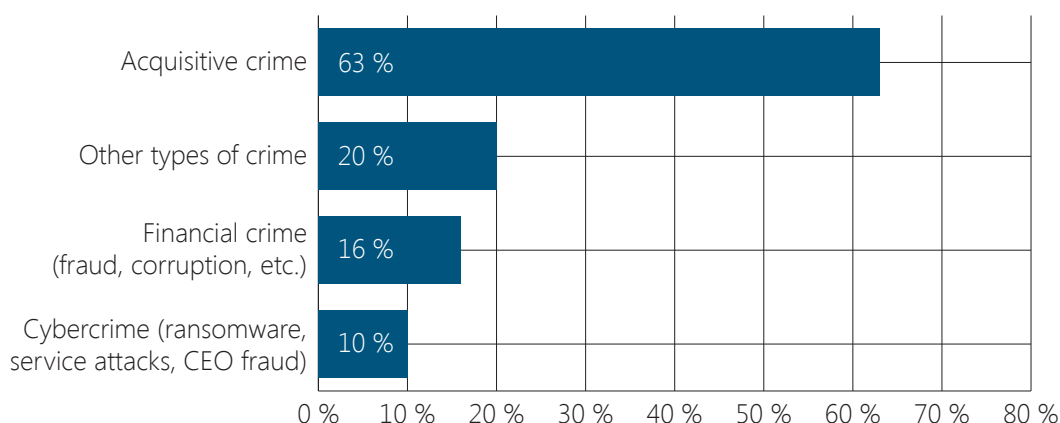


Over the past year, 10 percent of businesses have encountered criminal offences that went unreported. This portion has remained stable throughout the most recent surveys, but showed a slightly increasing trend since 2013. There is no difference between businesses in the private and public sectors on this point, but when it comes to the industries in question, retail and transport were the ones most likely to experience illegal activities that went unreported (13 and 20 percent, respectively).

The businesses that had experienced criminal offences that went unreported were further asked about both the type of crime they did not report and why they did not report the incident.

Question: What was the nature of the crime you did not report?

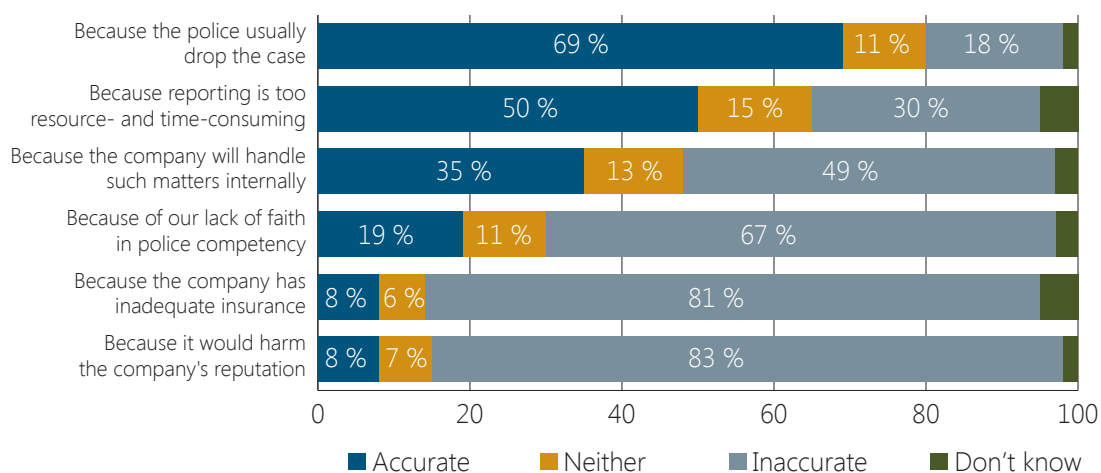
Figure 24 Type of crime (n=245)



Among companies exposed to illegal activities that went unreported, 63 percent of these businesses suffered acquisitive crimes, while 10 percent experienced cybercrimes. Note that we did not ask the total number of offences committed for each type, so we do not know the distribution of crimes in total.

Question: To what extent do the following descriptions fit the explanation for why your business did not report the illegal incident. Are they accurate, inaccurate or neither accurate nor inaccurate? If the business has had several illegal incidents that went unreported, please answer based on the most recent incident.

Figure 25 Causes of crimes going unreported (n=245)



3. Reporting

Among those who have encountered illegal activities that went unreported, the belief that the police would drop the case was reported as the main reason the incident was not reported. This question was previously worded in a more general manner, where we asked what the respondent believed to be the causes of companies not reporting illegal activities in general. In 2017, this question has been reworded to be more concretely related to unreported illegal activities at the business in question. As such we lose our ability to directly compare these results to prior years, but we will instead receive more concrete feedback on why each business did not report the incident. Although the question has been asked in a different manner in 2017 than in previous years, largely the same conditions are being examined.

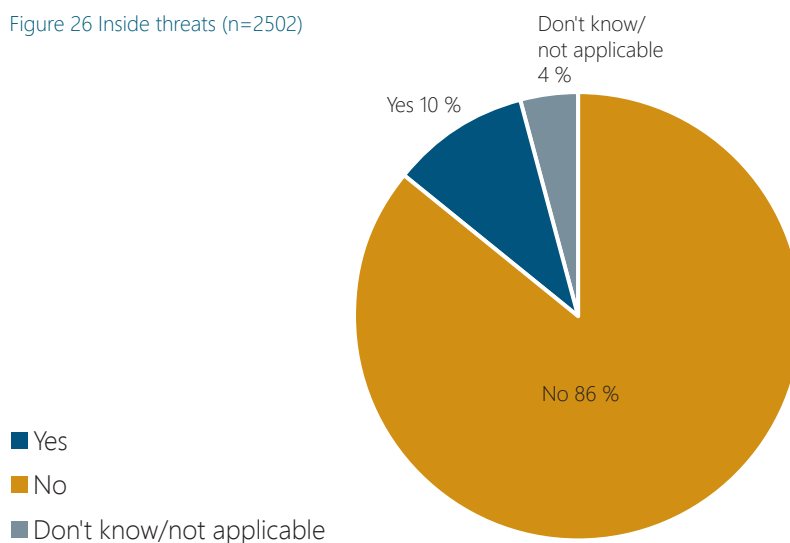
The reason crimes went unreported follow the same pattern regardless of the type of crime. To not report the crime out of a belief that the case will be dropped is somewhat more common among those exposed to acquisitive crimes, but the differences are not large enough for us to conclude that the reasons to not report are affected by the type of crime.

3.2 Inside threats

1 out of 10 businesses have uncovered inside threats from their own employees over the past 2 years. This is somewhat more common in the public sector than in the private sector, but there are no big differences between different industries.

Question: Has your business in the past 2 years uncovered inside threats among your own employees?

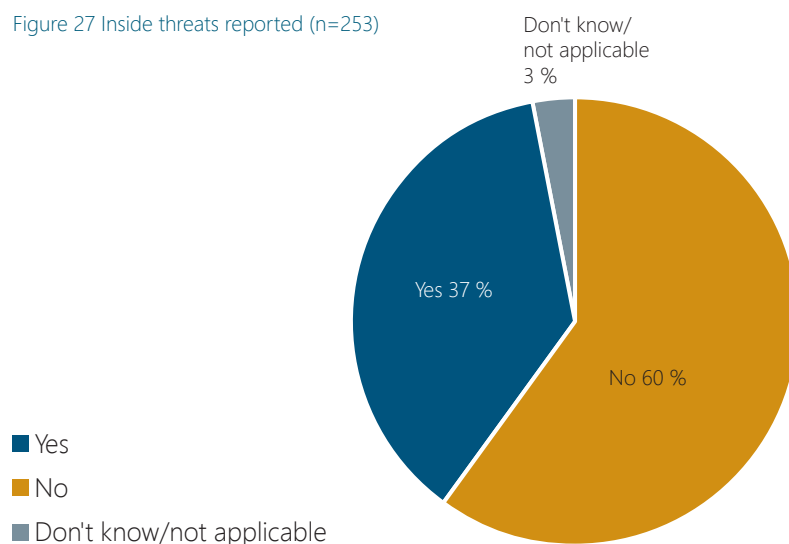
Figure 26 Inside threats (n=2502)



The question regarding inside threats was previously asked without a time frame (Has your business ever discovered inside threats among your own employees?). In 2017, this question has been asked with a time frame to ask about the past 2 years. In that we have a cut-off point in 2017, where we previously asked if this had ever happened, the results cannot be compared. The portion that has experienced this would naturally be higher in 2015, in that the incident may have taken place a long time ago, while the 2017 figures can only refer to what has taken place in the past 2 years.

Question: Was the incident reported?

Figure 27 Inside threats reported (n=253)



Among those who have encountered inside threats, no more than 37 percent reported the activity. Companies in the public sector are far more likely to report such activities than private businesses. 66 percent of the public companies that had inside threats reported these activities, while only 26 percent of private businesses did. Similar differences were found in 2015.

4. Surveillance

A new topic in the 2017 survey is surveillance cameras and their application.





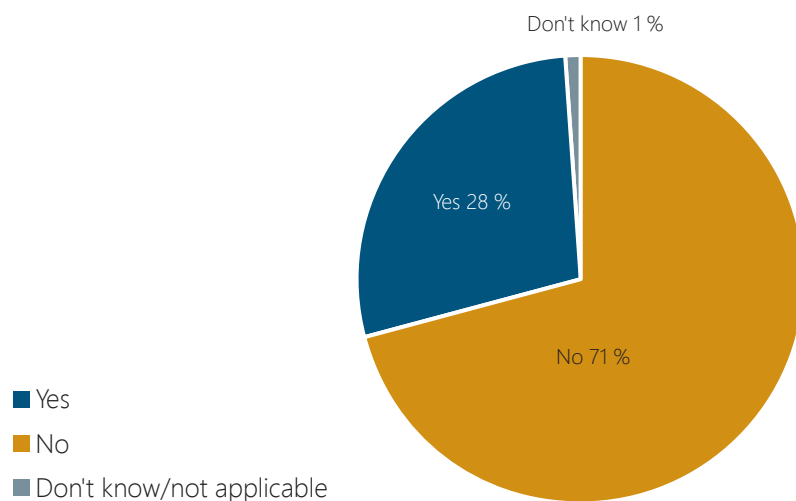
4. Surveillance

4.1 CCTV

Nearly 3 out of 10 companies have installed CCTVs, and these cameras are equally common in the private and public sectors.

Question: *Has your company installed CCTVs?*

Figure 28 CCTVs (n=2502)

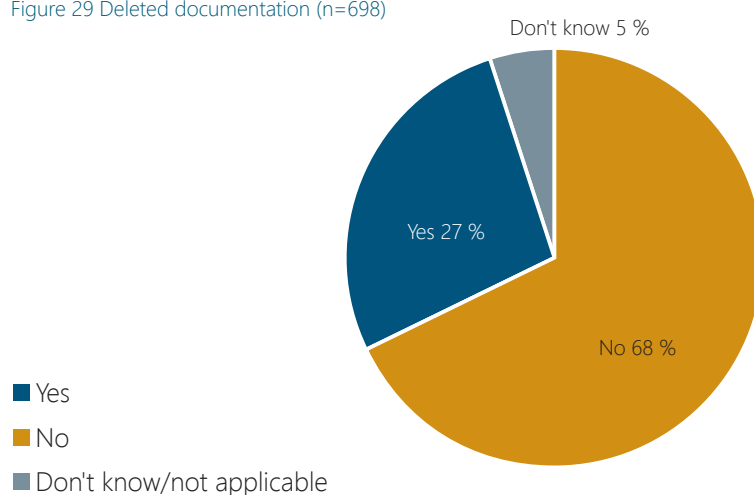


The industries where CCTV installation is most widespread are retail (38 percent), transport (35 percent) and accommodation/food services (40 percent).

3 out of 10 of those with CCTVs have reported that undesirable incidents could not be reported due to the recording having been erased by the time the incident was discovered.

Question: Permitted storage time for CCTV recordings is 7 days. Has your business experienced that unwanted incidents could not be documented due to the recording having been deleted by the time the incident was discovered?

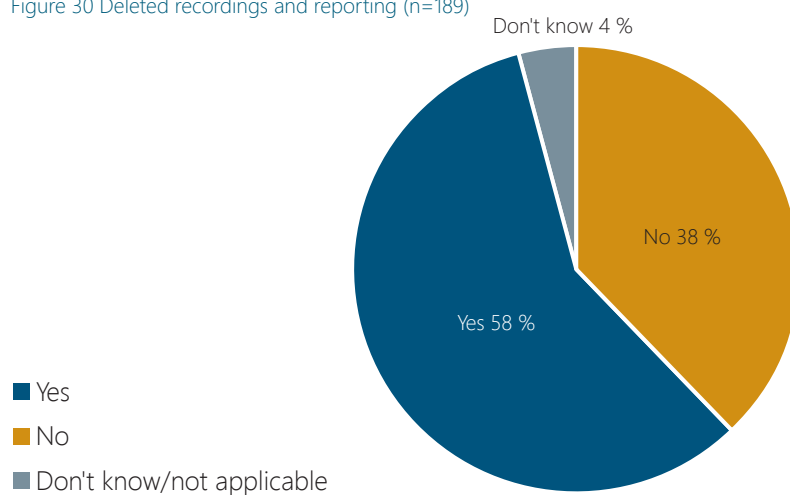
Figure 29 Deleted documentation (n=698)



Among those who were unable to document unwanted incidents due to deleted footage, nearly 6 out of 10 believed this was important in deciding whether the incident would be reported or not.

Question: Has this been important in deciding whether to report the incident or not?

Figure 30 Deleted recordings and reporting (n=189)



Analysis of Krisino findings 2017

Preventing and defeating criminal activities requires shared understanding and knowledge of the actual threat landscape.

Krisino continues to discover that a large portion of Norwegian businesses still do not report criminal activity or inform the police of what they encounter. The larger the business, the less willing they are to report.

What has happened, why, and what are the consequences?

There are clear indications of a sense of powerlessness between industry, other public institutions and the police, resulting in crimes going unreported.

There may be multiple causes, but in Krisino and through dialogue with other central parties in business and public institutions, an image of a system marked by weakened trust emerges. Some use the expression “systemic failure” about the criminal justice system, and it has been quietly accepted that the police do not have the capacity and/or the expertise to investigate certain types of criminal cases. This particularly applies to financial-, cyber- and acquisitive crimes. This is also supported by the police's citizen survey in 2016, which points to a lack of faith in the police's abilities to solve these cases, especially in cybercrime.

The consequences of the lack of faith and trust in the police, and in the criminal justice system are numerous. Krisino reveals that exposure to crime has not become any lower at the companies, even though registered crime has dropped. This clearly indicates that a considerable number of criminal offences discovered at businesses and at public institutions do not end up being reported. But that is not the same as these cases not being followed up, after all, could it be that we have a well-functioning and growing parallel legal system?

Most larger companies today have security departments consisting of people with expertise from the police, accounting, IT security and more. This supports findings in Krisino that show that 22% of public businesses with over 100 employees have full-time employees in crime prevention and security, compared with 13% in the public sector.

There is also a wide selection of agents on the market who offer specialised security services. Many see no reason to involve a police institution, which may be seen as unavailable, at times lacking in dialogue, taking too long to handle cases and often ending in the case being dropped or being reduced to smaller charges.

The business community and other public institutions have a social responsibility to report and notify of illegal conditions. It is relevant to ask if recent developments undermine the rule of law, in that police statistics do not paint a true portrait of crime in Norway. This also means that they cannot prioritise or take measures that reflect the challenges of the threat landscape, or make it visible to police authorities.

What is the NSR's mandate?

"NSR shall actively work to reveal the challenges of business, so that resources, prioritisation and political decisions for investigating, preventing, and combating crime both within and against the business community".

NSR's strategic goals 2017 - 2020

Krisino is one of several surveys performed by NSR to succeed in a knowledge-based approach with regard to its members, authorities, the business community and public institutions.

This analysis aims to highlight the Krisino findings that are considered to be the most challenging from a criminal policy perspective.

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Crime developments in Norway

– what do the statistics say?

In Norway, two sources are primarily considered official statistics; police operating statistics and the crime statistics of Statistics Norway (SSB). The police retrieve their statistics directly from the criminal case register, Strasak. This register shows reported crime and criminal case handling. SSB also uses information from the police register to a great extent, but also from other sources to give an independent and wider explanation of societal conditions related to crime and the justice system. There may be minor discrepancies between the statistics of the police and SSB. This is related to the figures being dynamic, and entails that the numbers change depending on when the number have been collected from the register. The police have generally maintained a rule to publish statistics each quarter, every four months, each half year and every year. SSB has presented annual statistics and included many different factors (ssb.no).

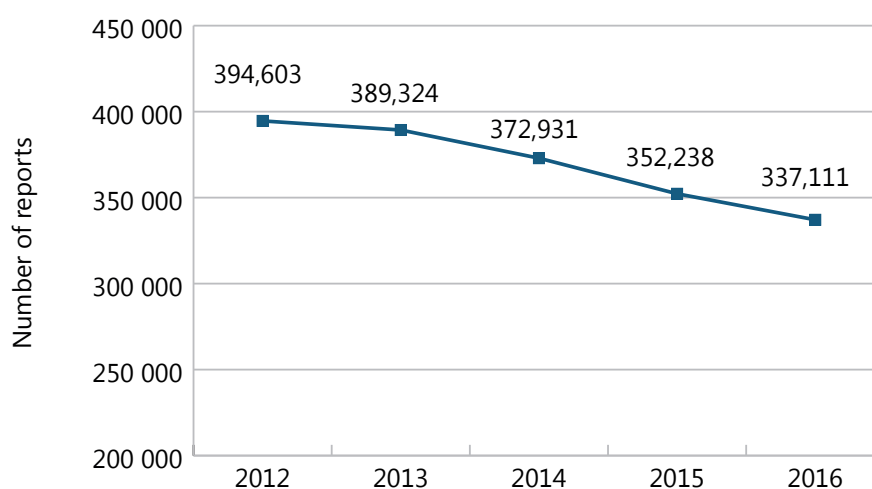
As of 01/10/2015, a new criminal law is in place. This means that new statistics from this date and on cannot be directly compared to statistics from earlier periods. Since 1902, the law divided offences into two categories: crimes and misdemeanours.

This division has now been removed, and replaced with the shared category of offences.

Statistics on the number of reports is comparable, showing an even drop over the past few years. In table 1 you clearly see the trend line from 2012 up to and including 2016.

The number of registered crimes has dropped over the past five years by a total of 14.6 percent, and there are no indications that this drop will slow down. Out of the offence categories, acquisitive crimes in particular have had the largest drop in number of reports, with a total of 36.9 percent since 5 years (table 2). In this category, gross theft at public places (pickpocketing) stands for the largest reduction. There has also been a marked increase in the category of financial crimes, but this is due to the aforementioned implementation of the new criminal code. Therefore, the figures are misleading with regards to the actual reality. The police directorate writes that it is not actually possible to give an exact indication of how significant the growth is (the police directorate, reported crime, commented Strasak figures 2016).

Table 1: Number of reports in the years 2012-2016



Source: JUS068

Table 2. Reports divided by offence category, percentage change per year and past five years

	2016	Percentage change 2015-16	Percentage change 2012-16	Share of reports
Acquisitive	113,610	-17.2 %	-36.9 %	34 %
Traffic	58,181	0.5 %	-3.6 %	17 %
Other	40,088	-15.6 %	-14.2 %	12 %
Narcotics	39,728	-11.1 %	-13.5 %	12 %
Violent	31,702	11.7 %	14.9 %	9 %
Financial	26,596	147.2 %	229.3 %	8 %
Property	16,952	-0.3 %	-6.7 %	5 %
Sex offences	7,066	29.9 %	49.5 %	2 %
Environmental	2,397	4.2 %	2.4 %	0.7 %
Working environment	791	-8.0 %	2.5 %	0.7 %
Total	337,111	-4.3 %	-14.6 %	100 %

Source: JUS068

The categories that have seen an increase are in part due to a desired development to uncover unreported crimes, such as in the cases of domestic violence, sexual assault, and cases of abuse (serious crimes against integrity) (A life without violence-action plan against violence in close relationships 2014-2017, Ministry of Justice and Public Security, Director of Public Prosecutions circular, 1-2017, prop). These are areas in which the police have deployed much of their own resources and have allocated a lot of expertise over the past few years, such as domestic violence coordinators and own domestic violence units.

Developments in our neighbouring country have taken a completely different trend in the same period, as **reported crime has increased** by a total of 7.2 percent, from 1 402 588 to 1 510 197 reports. The development has been particularly high for fraud, violence/threats/assaults to people (www.bra.se). It is unclear why there are such major differences in registered crime between Norway and Sweden. There has been major discussion in

Sweden over the past few years on the cause of the crime landscape, particularly with regard to integration and the overrepresentation of offences related to immigrants. It is difficult to comment on unreported crimes in Sweden, but the crime prevention council (BRÅ) writes:

“The extent of unreported crimes is unknown and varies between different types of crimes, but is believed to be so extensive for certain crimes that it can actually be compared to the top of an iceberg”



Crime reported by businesses with organisation numbers

The crime statistics are based on reports made by persons and the “other” category. This is a gathered category for businesses with an organisation number. The police have explained that it is not possible to perform a quick and simple search to determine how many operations can be linked to each specific industry.

An overview from police registers shows the number of reported incidents from 2013 up to and including August 11th, 2017, in which an organisation number was registered as the plaintiff (PAL, Strasad).

The trend is that fewer and fewer operations and companies are reporting crimes. The drop has been 16 percent over the past five years – which fits well with the general drop in reports in the same period.



Table 3: Number of reports where businesses with organisation numbers were registered as plaintiffs in the years 2013 - 2016 and as of July 2017.

2013	number of reports	52 347
2014	number of reports	49 537
2015	number of reports	47 022
2016	number of reports	44 080
2017	number of reports	26 090 (as of July – same level as 2016)

<https://www.dagbladet.no/kultur/svenske-forskere-morklegger-sammenhengen-mellom-innvandring-og-kriminalitet/64042187>;
<https://www.aftenposten.no/verden/i/Q61BA/Svensk-politileders-oppgior-med-mistenkte-kriminelle-innvandrere-far-enorm-oppmerksomhet-Na-far-han-bade-kritikk-og-hyllest>;
<https://nyheteridag.se/politiskt-totalstopp-for-statistik-om-invandrares-brottslighet-enbart-sd-vill-att-faktan-presenteras/>;
<http://www.bra.se/brott-och-statistik/statistik-utifran-brottstyper/morkertal-och-dold-brottslighet.html>

What do the criminal trends say?

DSB study: Norwegians fear terrorism the most

The various terrorist attacks in Europe the past few years have lead to an increased fear among the population. Now, worried Norwegians directly contact The Norwegian Directorate for Civil Protection (DSB).



A number of parties in Norway describe trends in crime, from a global societal perspective to specific communities and agents.

The police directorate is responsible for some of the most overarching trend reports through its comprehensive analyses. The latest report is from 2015, and emphasises topics related to the complexity of the criminal landscape, migration, technological development, and international crime, as well as a rise in extremism.

Special police agencies and selected police districts also work to develop their own trend reports. These focus on selected offences, communities, as well as local and regional challenges. Other public institutions also feature their own trend and risk reports (threat assessments), such as Military, Tax, NSM, DSB, etc. In the business world, it has become more common to develop trend and risk analyses. Krisino shows that in 2017, 3 out of 10 businesses had a written risk assessment, a large, 12-percent rise since 2013. The larger the businesses are, the more they perform their own risk assessments. For example, all of 60 percent of private businesses with 100 or more

employees perform such assessments, while the same applies to 47 percent of public institutions (Krisino 2017, p. 10-11). Most trend reports are public, but versions for internal use is common as well. This is to prevent sensitive information and vulnerabilities from being exposed and exploited.

Krisino also reveals the proportion who actually read the PST and NSM threat assessments. In 2017, this was 14 percent in the private sector and 26 percent in the public sector. This is an increase from 2015, when only 4 percent of businesses had done the same. NSM has been included in the survey for 2017. Their threat assessment is read by 8 percent in the private sector and 21 percent in the public sector. The largest businesses are also the most active in reading these assessments (Krisino 2017 p. 14-15).

Based on the Police Directorate's comprehensive analysis, there are still some overarching trends that stand out. One is related to technological development, where IT security is described as a part of critical infrastructure. In cybercrime, a segment of offences affect society, businesses and individuals.

The other is the fear of violent terror attacks. Developments in Europe have shown that terrorism may strike in Norway again. PST has described this in its threat assessment as "possible" (PST threat assessment 2017) and later, in April 2017, now updated to "probable". That this fear is real to the population as well is supported by DSB's survey of the public in 2017, where all of 35% of the population reported being very worried that Norway would be struck by another terror attack.

<https://www.dsb.no/globalassets/dokumenter/rapporter/befolkningsundersokelse-om-risikopersepsjon-og-beredskap-i-norge-2016.pdf>

Police growing = better criminal case handling?

An overview of FTEs from the police, distributed by police district, special agency and other entities in the years 2011 - 2016 shows that the police has grown overall by 17 percent in this period. In 2016, there was a total of 15 715 FTEs in the police. The largest increase has been at the National Police Immigration Service at 107 percent, and the Police Directorate at 68 percent. The smallest increase has been at the National Mobile Police Service, which has shrunk by 12 percent and the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (Økokrim), which increased by 2 percent in the same five-year period.

The number of reports has decreased by 14.6 percent over the past five years, while the size of the police has increased by 17 percent over the past six years.

There is no indicator that can give a complete image of whether the police have become more effective, but some statistics give clearer indications of these developments. One of these is the number of prosecuted cases. One could reasonably expect that more resources would allow more cases to be prosecuted. What has happened?

In its report *"Reported crime and criminal case handling – 2016"* the Police Directorate writes that

Table 4: Overview of the number of FTEs in police force for the years 2011 - 2016

	2011	2012	2013	2014	2015	2016	Percentage change 2011-2016	Percentage change 2015-2016
Agder	607	589	601	614	626	630	4 %	1 %
Finnmark	281	294	318	343	352	378	35 %	8 %
Inland Norway	732	725	740	774	789	797	9 %	1 %
Møre og Romsdal	460	462	475	492	510	514	12 %	1 %
Nordland	655	637	643	662	669	673	3 %	1 %
Oslo	2722	2800	2831	2865	2973	2982	10 %	0 %
South-West	926	952	1009	1043	1081	1107	19 %	2 %
South-East	1451	1434	1496	1511	1543	1560	7 %	1 %
Troms	303	303	303	306	314	331	7 %	5 %
Trøndelag	858	884	898	919	942	942	10 %	0 %
West	1089	1104	1166	1211	1229	1249	15 %	2 %
East	1463	1460	1548	1612	1676	1681	15 %	0 %
TOTAL DISTRICTS	11553	11646	12026	12352	12703	12844	11 %	1 %
Kripos	445	453	469	486	499	512	15 %	3 %
ØKOKRIM	143	141	140	145	151	147	2 %	3 %
Mobile police	51	51	51	49	47	45	-12 %	6 %
Police Immigration Services	400	418	434	544	677	829	107 %	22 %
TOTAL SPECIAL AGENCIES	1040	1062	1094	1223	1374	1532	47 %	11 %
Border commission	4	4	5	5	5	5	25 %	3 %
National ID centre	0	30	33	35	35	39		11 %
Oslo Enforcement Office	111	111	115	117	113	114	3 %	1 %
The Police's Data and material service (retrieved at 01/03/2014)	260	274	296					
Police shared services (as of 01/03/2014)				115	119	135		13 %
Police IT services (as of 01/03/2014)				210	244	351		44 %
The Police Directorate	164	171	187	221	267	275	68 %	3 %
The Norwegian Police Academy	350	395	413	408	412	420	20 %	2 %
TOTAL OTHER UNITS	889	985	1049	1111	1197	1339	51 %	12 %
TOTAL	13482	13693	14170	14685	15274	15715	17 %	3 %

prosecuting authorities in 2016 closed over 343 187 reports. A 4.9 percent decrease compared with 2015 (ibid). The number of reports dropped by 4.3 percent in the same period. The number of prosecuted reports shrunk somewhat each year over the past five years, amounting to a total of 13.3 percent since 2012. A closer overview of the development in prosecuted offences is shown in the table.

Of the cases closed by prosecuting authorities in 2016, 172,035 are considered cleared. The number of cases solved in 2016 is therefore 5.9 percent lower than in 2015, and 7.7 percent lower than 2012.

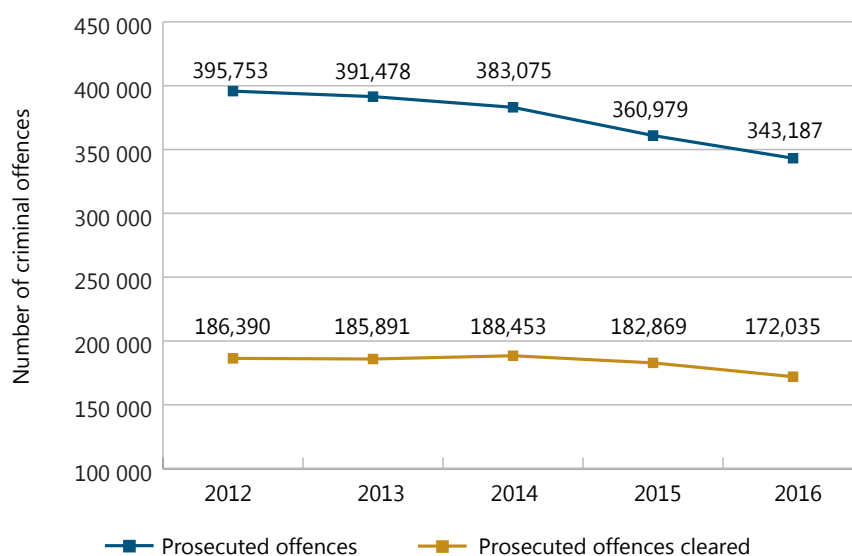
Another indicator is the clearance rate. In 2016, 53.4 percent of all prosecuted offences were cleared. This is largely unchanged compared with 2015, when the clearance rate was 53.8 percent (The Police Directorate, reported crime and criminal case handling, 2016).

A third indicator is the case handling time from report to prosecution, known as arrears. On average, the

case handling time for all cases was 94 days in 2016, a 1-day improvement from 2015. However, there are major differences between the offence categories. The three categories where the police have the longest case handling time are, workplace crime (253 days), financial crime (183 days), and sexual offences (159 days). Police have the lowest handling time in traffic (68 days), acquisitive crimes (98 days) and property damage (100 days).

It is difficult to argue that the increased resource allocation to the police has yielded results with regard to the number of prosecuted cases, improved clearance rate or quicker case handling time (arrears). On the contrary, results have not only been absent, but have to some extent worsened. For example, 5.9 percent fewer cases were cleared in 2016 compared with 2015. There are also indications that results will deteriorate further in 2017 due to the resources that right now are bound to the local police reform.

Table 5: Prosecuted offences 2012-2016



Source: JUS068

Cases where the prosecuting authority itself decides sanctions or presents the case to court are classified as cleared. The same applies to cases closed on the code "no criminal offence committed", or if nothing else can be done in the case for other reasons (young age, accountability, statute of limitations, etc.) The police also operate with a number of decision codes that show the case as cleared, such as where the case is closed due to public concern. So the term "cleared" is not the same as the case having been investigated and processed by the courts.

What can we expect from the police going forward?

One perspective that may shed light on the future is the governing document of the Police Directorate, Plan and framework report 2018. This document sets the direction for how the “new” police organisation will work to succeed in its social mission. It is discouraging to see that **the crime developments have not been included in the document**. Not one indicator follows up the development of matters such as common acquisitive crime, the offence category that affects the most industries.

The business community must related to this governance document as a fact, where the

ambition of the police is to draw the business community in as a party to help prevent crime in an interdisciplinary collaboration (plan and framework 2018, chapter 5.2, page 10):

“Efforts to establish prevention as the primary strategy of the police shall continue, and the police shall continue to further develop prevention across the justice sector, with municipalities, business and other central social parties.”

The Business and Security Council sees the developments using business contacts in all new police districts as a step in the right direction for improved cooperation.



How is the crime landscape presented by Krisino?

In an ideal world, Krisino findings would match police statistics. Is this the case?

In Krisino, the number of businesses that do not report criminal activity has remained stable since the first survey in 2006. Deviation has only been 1 percent for this entire period (Krisino 2017, p. 32). In 2017, 10 percent of all respondents did not report crimes (ibid). A share that increases in step with the number of employees. All of 16 percent of the largest businesses with 100 employees or more do not report. By experience, larger businesses suffer more criminal offences than smaller ones. Krisino does not have data from individual respondents on how many cases each business has failed to report. This is discussed further in the chapter on the handling of criminal offences at a selection of businesses.

The criminal offences not reported by respondents are acquisitive crimes (63 percent), other crimes (20 percent), financial crimes (16 percent) as well as cybercrimes (10 percent) (Krisino 2017 p. 33). This also clearly matches the drop in acquisitive crimes, although the major decrease over the past few years is related to there being considerably fewer pickpocketing incidents.

Krisino's findings furthermore reveal that **businesses report that their exposure to criminal activity is the same as in prior years.** They report a somewhat higher exposure to corruption and price fixing, but somewhat less fraud (down from 78 percent to 68 percent across all businesses) (Krisino 2017 p. 22-25).

Seen as a whole, the Krisino findings show that the number that do not report remains stable at 10 percent, but that the number rises in accordance with the size of the company. An analysis has not been performed to determine how many cases this accounts for, but by experience, an individual party's willingness to report may affect results both locally and nationally.

Furthermore, Krisino shows that businesses have not experienced a drop in their exposure to criminal activities, on the contrary, figures have been relatively stable, with certain changes to the criminal landscape in which acquisitive crime has dropped. Cybercrime and new forms of fraud have increased (such as CEO fraud).

<https://www.politiet.no/globalassets/dokumenter/03-strategier-og-planer/plan-og-rammeskriv-2018.pdf>
There is a total of 565,000 businesses in Norway, of which 80% had four employees or fewer. There are 3433 companies with more than 100 employees, (0.6%) of the total.
(Source: Statistics Norway, 20th of January, 2017)

Handling of criminal offences at a selection of businesses

The Tax Administration

"Why am I upset about the situation when it involves the investigation of serious financial crime... Because I don't see it getting better, only worse. For us, a case getting dropped is a crisis, because it takes other sanction options away from us".

Senior advisor at the Tax Administration

In NOU 2017: 5 "A prosecuting authority for the future", the following is written; *Today, most financial cases at the police are based on reports from the inspection agencies. Police capacity largely does not meet the expectations of the inspection agencies with regards to the follow-up of these reports. Over time, the inspection agencies have expressed concerns that the police do not adequately investigate these cases or bring them to the courts (p 226-227). It goes on to explicate the situation further; As many of the inspection agencies' reports have been closed over the course of several years, it has unfortunately become the case that in many sections of the inspection agencies, not all serious, criminal offences uncovered by the agencies are reported to the police. Where inspection agencies are also measured by number of cases, it will also not be desirable to spend time developing a thorough police report with all required documentation, if you already know the case will be dropped by the police. Reporting statistics thus also do not provide us with a correct image of the extent of financial crime (p 227).*

Reports from the Tax Authority and actions taken in the period 2008 – 2015 shows a reduction in the total number of actions taken from 2008 to 2015. This cannot be explained by more serious and extensive cases, as the number of actions taken in the same period has also decreased with regard to fines/fees, suspended jail sentences and imprisonment.

Cases are still being dropped at a high rate, despite the decrease in the number of reports. In 2008, the ratio of dropped cases to sanctions was 83 – 368, whereas in 2014, the ratio was as high as 89 – 174 (NOU 2017:5 p. 231).

This development has continued in spite of the Tax Administration often being in dialogue with the police prior to submitting a report. Sources say they make careful considerations from case to case based on which police district "catches" the case. From experience, the inspection agencies know which police districts have both capacity and competency, which is highly decisive in choosing how many resources and how much time can be spent. The consequence is that certain police districts do not receive reports from the Tax Administration, as the risk of the case being dropped is determined to be high.

In a fair society, this is a worrying development, as it entails that the equality principle has been dismissed in favour of a cost/benefit assessment. In practice, this means that the same type of criminal offence is assessed and handled differently depending on where you live.

Certain agents have a significant impact on national crime statistics. Experiences from Oslo have shown that, for example, the railways' willingness to report vandalism (graffiti) affected the national figures. The same applies to companies such as H&M, Kiwi, Rema 1000 and other major national retail companies with regards to the number of smaller thefts (shoplifting).

The insurance industry

"It is sound business for us to not report, and to instead take the matters to civil courts or directly to the "suspect". That saves us time and secures better results for each case. The challenge of working in this manner is that the most professional fraudsters exploit our working methods. They simply switch companies and continue their criminal activities. It's a vicious circle".

Experienced investigator

The insurance industry writes of the criminal landscape in its own fraud statistics, noting that cases of insurance fraud are constantly being uncovered in connection with other kinds of financial crime. The earnings from insurance fraud are used to fund other criminal activities. (Insurance fraud in Norway – fraud statistics 2017, Report for 2016 figures, Finans Norge)

It goes on to discuss social responsibility: There is a shared responsibility, both in the private and public industry to prevent and combat this type of criminality (ibid).

How does this stand in contrast to what the insurance industry actually uncovers in terms of fraud, and what is reported?

The fraud figures from 2016 shows the following distribution across the categories of health and disability insurance, as well as private property insurance:

- Health and disability insurance:
297 cases (186 million NOK)
- Private property insurance:
697 cases (91 million NOK)

Out of these cases, only 142 (14%) were reported, from the total of 994 investigated cases where fraud was proven. This means that in **2016, 852 fraud cases were investigated, with losses amounting to many million NOK without the police's knowledge.**

These are figures that clearly tell of an industry that in theory wishes to expose the challenges the industry faces, but that in practice do not share information on discovered criminal offences with parties outside their own industry. This is presented from a cost/benefit perspective, but the reality is that the industry ends up with larger problems by moving fraudsters between the companies.

Handling of criminal offences at a selection of businesses

Selected financial institutions

"The police place too high a burden of proof on the report to investigate the cases. We could perhaps have reported over 1000 cases, but don't have the resources for it. What do we do? Well, we choose the 5 - 10 biggest "fish in the sea" and let the rest swim on"

Security administrator at a bank

Financial institutions fight for the same resources as the Tax Administration. The cases end up at the same sections of the police. This means that they experience the same case handling time and clearance rate. Several banks therefore use the same methods as the insurance industry. They clean up in their own matters, in civil courts, and terminate the customer relationship.

It is difficult to determine the extent of the crime affecting financial institutions as the unreported statistics are estimated to be high. One indicator that may provide clues as to this exposure is the number of suspicious transactions (STR) which are submitted to Økokrim in accordance with anti-money laundering legislation. This is an obligation sanctioned with penalties if the duty to report is not adhered to.

An overview last year shows that the banks have seen reports double from 2877 in 2012, to 6292 in 2016 (table 6).

Table 6: Reports of suspicious transactions 2012-2016

Reports of suspicious transactions by industry	2012	2013	2014	2015	2016
Lawyers, etc.	12	10	10	6	12
Others cf. money laundering legislation section 4	44	51	41	33	67
Banks	2,877	3,175	3,978	3,402	6,292
E-money businesses			2	1	
Retail companies	61	50	54	95	62
Insurance companies	56	67	51	52	68
Brokers	15	16	38	45	134
Accountants	45	56	52	46	69
Auditors	54	39	45	49	50
Investment firms, etc.	2	7	6	10	9
Businesses handling payment	863	802	1518	975	2013
Total STRs	4,029	4,272	5,795	4,714	8,776

Conclusion

The 2017 Krisino findings help reveal unsettling developments in the justice system. Companies in both the private and public sectors fail to report criminal offences, and 19% of those who do not make reports state their lack of trust in police capacity and/or competency as a reason. For some companies, involving the police is practically the exception. They have given up, and operate with a parallel legal system managed by cost/benefit principles. **This isn't one for all, but everyone for themselves.**

Official crime statistics show a steady decrease year by year, but Krisino clearly reveals that companies' exposure to criminal activities is stable, although they feature a shift in modus operandi towards more cybercrime. We refer here to the Unreported Crimes Survey 2016. This analysis has examined what is currently happening, and what the consequences are and will be going forward.

Trust is difficult to build, but easy to tear down. A legal system relies on trust to function. A relevant question is whether a sense of powerlessness has developed between the exposed industries and the police, due to their cases often being closed, a situation that may appear to be shared by the inspection agencies. The prosecution analysis (NOU 2017:5) describes the situation as such:

"...unfortunately, it is often the case in several departments of the inspection agencies, not all serious criminal offences discovered by the agencies are reported to the police."

The legal system can be a vicious circle. The police have received more resources the past few years, but have not shown the results to match.

We believe this may be continue because much of the crime companies are actually exposed to never reaches the police and the criminal justice system.

Turning this trend around is critical, lest it continue to gain momentum. The police must to a far greater extent adjust for goal- and results management in keeping with developments in criminal activity, as well as the needs of citizens and the business community.

Companies in the private and public sectors must also understand that "fixing it yourself" is a short-sighted solution, that ultimately only serves the criminals.

The Business and Security Council hopes the Krisino analysis may help illuminate and reverse a very serious societal development in investigation and crime prevention. Finding such simple solutions is challenging, but we must simplify. Criminals benefit from society failing to prioritise in a manner that pays for all law-abiding parties, while giving criminals tangible consequences.

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