

SiD in Fisheries Fraud

Abstract

SiD fraud investigation system is used by Fisheries Agencies throughout Australia and New Zealand. SiD provides both a secure nationwide intelligence repository plus support for investigations and prosecution. The model for serious fisheries crime is very much aligned to a serious fraud investigation. Essentially the crime is against resource protection laws with controls on over-fishing of particular fisheries. To circumvent such legislation requires a complex fraudulent trail to be maintained (and unravelled).

SiD provides the document and case management capability coupled with intelligence support to enable management of documentary evidence supporting major crimes against fragile natural resources. Control of fisheries is managed by fishing quotas for certain species, misreporting of catches of such species can lead to depletion of economic resources to such a level that they are unsustainable.

The major fraud in this case involves fraudulent records, fraudulent invoicing and an entire document trail which requires forensic accounting expertise to prove the crime. It also involves volumes of documentary evidence – well beyond safe manual management (in this case 80,000 documents). In this environment SiD has been proven in successful major prosecutions involving multi-millions of dollars of fraud.

“SiD represents the best investment we ever made in adding value to our effectiveness. I highly recommend it.”

Murray Donaldson, Head of Victorian Fisheries Compliance, Melbourne, Australia.



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The Issues

Document Management

Cases with 80,000 documents require a high degree of automated document management support to ensure a chain of evidence trail is rigorously preserved. This volume of documents is also well outside the memory retention scope of the average investigating officer. Thus powerful search and retrieval tools are required – along with categorization and strict cross referencing.

Tools to support techniques of document scanning and Optional Character Recognition (OCR) will often be necessary.

In the prosecution phase – management of the documents through the court process is also critical. Where the jurisdiction allows, electronic presentation of documentary evidence speeds up the court process up by an order of magnitude (avoiding massive delays each time a specific item of evidence is presented).

Document Content Analysis

Huge volumes of unstructured text information requires comprehensive cross referencing. In order to achieve that – tools such as text searching, electronic filing and electronic categorisation are required.

This capability can be deployed right from the outset of the investigation through to the analysis of court transcripts for the prosecutor to prepare each day's strategy.

Time and Event Analysis

Complex transaction trails need to be unraveled in the mass of data – event and commodity flows must be determined from separate documents often buried in the mountain of paper.

Security and Protection from Change

Managing exhibits in a purely electronic form must have auditable protection from change to ensure on disclosure that no changes have occurred to original documents. Defence counsel by rights must have proof that the electronic form exactly matches the original. Also documents excluded from disclosure must have absolute security from the disclosure process.

The Approach

An integrated Investigation and Case Management Capability

Managing such massive document mountains requires an automated approach from outset – thus from seizure - documents are recorded in a text readable electronic form as soon as practical. From that point on management of the documentation must provide security, categorisation, text analysis and a logical filing structure to provide all elements of proof for the particular crime.

The Solution

SiD	SiD fraud investigation system has provided the levels of document management and investigation support for such major fraud cases for over 10 years. The document capacity is unlimited.
Security	SiD's military intelligence heritage ensures the level of security is auditable to Secret level – and has proven to provide data security for the most sensitive internal investigations (which can safely operate in parallel with day to day investigations – without any fear of the unique SiD data silo protection being broken).
Analysis	SiD provided the ability to track the commodity flow of highly complex transaction and commodity flows. The intelligence analysis power of SiD coupled with the visual analysis capability of the world standard i2 Analyst Notebook® product provides detailed event correlation and commodity flow discovery.

The Results

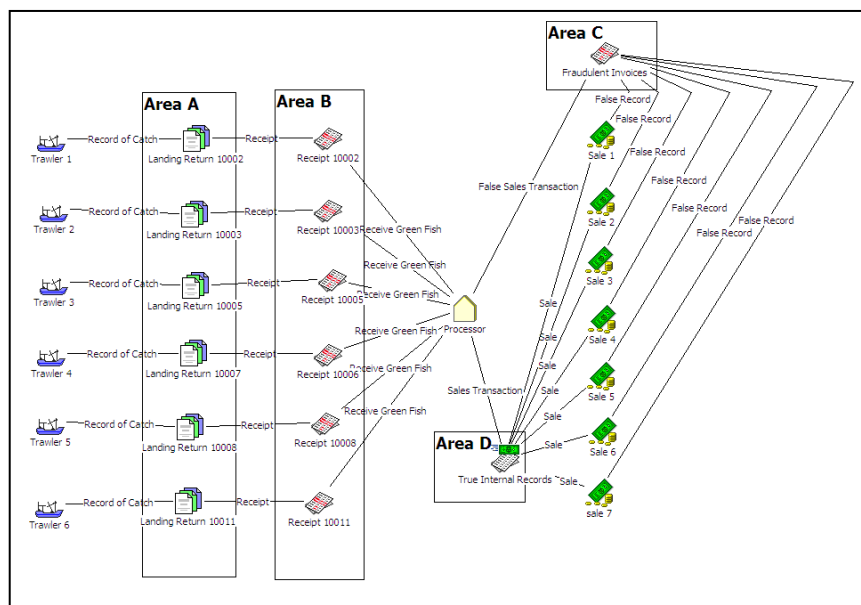
Major investigations in both Australia and New Zealand have resulted in prosecution of organisations involved in multi-million dollar fraud. The investigation and detection of such fraud provides a significant reduction in the exploitation of a critical natural marine resource.

Case Study

Fraudulent Transactions Misrepresenting Species Caught

Intelligence was gathered relating to a major fishing company believed to be catching one high value species (Orange Roughy) and recording as a variety of relatively low value species.

An investigation was triggered when a cell phone intercept enabled positioning a vessel in an area which was hundreds of kilometers from the area in which the catch was reported. Other evidence was gathered via surveillance and some under-cover investigative work. Using i2 Analyst Notebook the transactions were analysed as per the link diagram below.



Area A – Fraudulent Catch Returns

This area represents events of records of fishing catch records reporting (fraudulently) landing of low value species.

Area B - Receipt into Processing

This node represents the processing records of the factory from the initially landed fish

Area C - Fraudulent Sales Invoices

Analysis of specific sales invoices (again fraudulently represented) as the originally reported species (and market value).

Area D - Duplicate – “Real” Records from Node C

This data represented the hidden true sales records that were maintained in parallel to show actual sales returns at 2-3 times the reported values.

Impact

This prosecution effectively saved an entire high-value fishery from systematic exploitation by exposing the true level of impact on that fishing resource.