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# Research summary

The number of cannabis farms found in the Netherlands has increased enormously since the nineties and cannabis growing has become greatly democratised. From the start of this century cannabis cultivation gradually started to lose its innocent imago and is more and more associated with organised crime. Criminal organisations increasingly use legal goods and services in this respect. Moreover, it is noted that cannabis cultivation is frequently linked with fraud, money laundering and violence, including extortion, threat and liquidations.

In the United Kingdom, a sharp increase in the number of Vietnamese in organised cannabis cultivation has been noticed since the start of this century. In the Netherlands, an increasing number of Vietnamese suspects have been found in cannabis farms in recent years. These Vietnamese do not belong to the ‘traditional’ criminal groups in the Netherlands; their involvement is difficult to interpret.

In the current research we address the nature and development of the Vietnamese involvement in Dutch cannabis cultivation. Various research resources and – methods were used in this regard: a study was made of the relevant scientific literature and governmental documentation; an analysis of police registrations was carried out; nine police investigations were studied, and finally, interviews were conducted with over thirty Dutch and international respondents, in particular members of the police and the justice department. The main findings are summarised below.

## **Vietnamese migrants in Europe and the Netherlands**

From 1957, the end of the French colonial period in Indochina, three large migratory flows took place from Vietnam to Europe and North America. At present, some three million Vietnamese live in diaspora. In the course of the years, Vietnamese migrants settled also in the Netherlands; a little under 20,000 Vietnamese, of both the first and the second generation, were living in the Netherlands in 2011. The largest Vietnamese community is established in the province of Noord-Holland (Purmerend and Hoorn), the second largest in the province of Noord-Brabant (particularly around Eindhoven and Helmond). The second generation of Vietnamese in the Netherlands is well integrated. Education and studying are considered very important in Vietnamese culture. Compared to other migrant groups the Vietnamese do well in the area of employment, though less well than native Dutch.

The Vietnamese community in the Netherlands can be characterised as tight-knit. There is a strong social network, which extends also to Vietnamese diaspora communities abroad. The Vietnamese are viewed as hard-working people who are fairly inconspicuous and cause few problems.

### **International Vietnamese criminal groups and cannabis cultivation**

In Europe, Vietnamese criminal groups are engaged in, among other things, human trafficking, document fraud, money laundering, violent crime, piracy, cigarette smuggling and cannabis growing. In Eastern Europe they are traditionally known for smuggling heroine, in Germany for the illegal trade in untaxed cigarettes. In the last decade they developed towards cannabis cultivation, because of its lower risks and high yield. In the Czech Republic and England the Vietnamese have now become the biggest players in cannabis cultivation; in Germany a strong increase of Vietnamese in professional cannabis cultivation is being spotted. Cultivation technologies and skills are being implemented from Canada. Also the Netherlands is a source of cultivation technologies for the Vietnamese growers. Illegal Vietnamese migrants, with the United Kingdom as a favourite final destination, are allegedly becoming employed in cannabis farms in Europe. Because of the high earnings cannabis cultivation even allegedly attracts Vietnamese illegal migrants. Whether this involves people trafficking (exploitation) is not clear.

Essentially, Vietnamese criminal groups in Europe are relatively small and extremely close, with a network structure. The networks are basically culturally homogeneous; the members are related through family ties or area of birth. For the benefit of their criminal activities they keep in touch with the Vietnamese international community. For specific tasks, however, use is made also of other-origin co-perpetrators and there is cooperation with other groups to sell the cannabis. Vietnamese criminal groups are known in Europe for their use of violence. Violence is used to punish misconduct inside the criminal organisation but also for debt collection. However, in relation to cannabis cultivation little violence is observed. The cannabis groups manage to shield themselves from the authorities' view.

The cannabis grown in Europe is sold in various countries, including the Netherlands. A large part of the proceeds is probably sent back to Vietnam through the regular banking system, by way of money transfers, money couriers and, to a lesser extent, through underground banking. Strawmen from the Vietnamese community are used to transfer money. A growing number of nail studios in European countries are being linked to the laundering of criminal earnings.

### **Registered cannabis crime with Vietnamese suspects**

Vietnamese are suspected of criminal offenses more frequently than native Dutch people. Vietnamese women are also registered as suspects more frequently than Dutch women. In particular the first generation of Vietnamese in the Netherlands seems to be engaged in narcotics crimes.

Dutch police registrations from 2009 to halfway through 2011 comprise 173 Vietnamese cannabis suspects with a direct link to cannabis farms. Their average age is around 40. They are suspects of few other type of criminal offences, which was an outcome also of

other research. Most cannabis farms are found in and around Helmond in the south of the Netherlands, usually in residences. The Vietnamese suspects work together mainly with other Vietnamese; however, also native Dutch come into view. Network analyses based on national police registrations present a different picture than is obtained from regional criminal investigations. A 'regional' suspect emerged as a prominent figure inside an umbrella criminal network, for example.

### **Characteristics of the Vietnamese criminal groups**

On average, the criminal groups in the investigative case files that were studied consist of nine suspects, mainly of Vietnamese descent. The suspects are middle-aged, with some 40 percent women. They have been in the Netherlands a long time; most are first-generation migrants. Accordingly, most suspects have legal residence status; only a few of the carers in the cannabis farms are illegal aliens. The main suspects have limited legal income and/or draw benefits. Several suspects have debts, sometimes caused by gambling. This is partly the reason for them taking up cannabis cultivation. Initially, they want to pay off their debt with their earnings. Unlike the Vietnamese cannabis farm suspects in the national police registrations, the suspects in the investigative case files usually have a criminal record, in particular for narcotics offenses. They have been active in cannabis growing for a longer period. In most cases, the suspects have their own (legal) businesses. The police note that such companies are used to launder the cannabis proceeds. The mixture of legal and illegal trading is seen as typical for the Vietnamese community. Trade is the first and foremost activity; the distinction between legal and illegal activities may not be as clearly demarcated as in Western society.

Most criminal groups on file essentially consist of Vietnamese related through family ties and/or their regional descent in Vietnam. There does not seem to be a strong hierarchy. A foreman can be recognised, who directs the course of affairs around the cannabis farms. Various other roles are distinguished, such as intermediaries who arrange for housing and/or clients, 'specialists' such as electricians, guards, carers and various kinds of strawmen. There are usually multi-functional foremen, who fulfil various roles/tasks. Strawmen are used to rent cannabis accommodations, register cars and ensure money laundering. There is little insight in who the legal facilitators are. Women play a special part inside the criminal organisation. They are trusted representatives and right hands of the foremen and/or play a role in the laundering of the criminal proceeds.

### **Characteristics of the criminal process**

The Vietnamese use both rented and bought accommodation to grow the cannabis. The geographical spread of the housing differs with each criminal group. In the phase of gathering the growing necessities, growshops play a prominent part. These also help find clients for the cannabis. The files show that in most cases, the Vietnamese coordinate the setting up of the cannabis farms and the cultivation process themselves. They seem to be professional in this respect, with good knowledge of cultivation processes. There does not seem to be an unequivocal methodology or structure. The Vietnamese are good at shielding their farms from view and move fairly inconspicuously.

Cannabis buyers barely come into view in the police investigations. In addition, possible investors are not spotted much. Suspects arrested at the cannabis farms asserted having bought the growing necessities, and running the cannabis farms, themselves. Ill-gotten gains from cannabis cultivation come to a little under three hundred thousand Euros per case file on average. Suspects say little about what is done with the proceeds. In half the cases, there is a suspicion or proof of money laundering. All the Vietnamese criminal groups seem to be using various companies run in the name of (family) members. These are mainly spring roll stands and nails studios, used to hide and/or launder criminal earnings. Violence, threats, ripdeals and liquidations do not show from the various studies. It is possible that these remain hidden from the authorities.

### **The Netherlands in the international context**

Relative to the total country population, the number of Vietnamese in the Netherlands is lower than in the Czech Republic but comparable to Germany and the United Kingdom. The Netherlands is likely to be attractive for Vietnamese cannabis growers because of the demand for cannabis, the low investigative priority and low sentences imposed for this kind of crime, the invisibility of the Vietnamese community and existing contacts with the Vietnamese international community. Law enforcement authorities believe that Vietnamese suspects have managed to enrich themselves through cannabis cultivation in the past years, and are now moving on to facilitating or operating several cannabis farms. This removes them from the authorities' view. The Vietnamese suspects in the Netherlands work together with people abroad and/or expand their activities to other countries. In particular Germany, Canada and the Czech Republic show up in this respect. Part of the harvest allegedly disappears to other countries, such as Italy, England and Sweden. There are also international channels for investments, money laundering and transfer of the proceeds, to Vietnam, among other places.

For Vietnamese criminal organisations abroad, the Netherlands is first and foremost a source of cultivation necessities and –expertise. Business in this respect is done both with native Dutch and Vietnamese in the Netherlands. The Dutch Vietnamese serve as intermediaries; the Vietnamese criminal groups abroad are important clients for Dutch growshops.

### **Police approach to the Vietnamese cannabis cases**

The Dutch police approach is mainly reactive. Vietnamese cannabis cases come to light through (anonymous) reports made by citizens, energy companies, real estate agents or landlords. Usually, a 'hit and run' approach is used, with discovered cannabis farms being dismantled. Many chain partners are involved in a planned dismantling. The cases may be dealt with under criminal-, administrative-, or civil law, which may result in high fines. Police questioning of Vietnamese suspects apprehended in cannabis farms is usually not very fruitful in yielding further leads. Suspects that actually organise the cannabis cultivation remain out of sight. Only the more vulnerable people in the lower echelons of the criminal organisations are hit.

In a few cases where there are concrete investigative leads, a criminal investigation is started. In such a case, the focus is partly shifted to target the cannabis farms' operators,

or foremen. The larger investigations that were studied turn out to have focused primarily on ill-gotten gains and the laundering thereof and in the second instance on Narcotics Act violations. Financial investigation offered the most concrete leads in such cases, and the investigators view the confiscation of criminal proceeds as an effective measure. Because of the limited time and investigative capacity investigations are demarcated to include only the most obvious suspects. Traditional investigation methods are used to support the furnishing of evidence in regard to suspects already indicated. Consequences for these suspects are considerable. The wider, possibly umbrella-criminal network hardly comes into view, however. Also the investigative teams consider this a defect. In addition, growshops, which play a significant facilitating role, are not seen in most investigations. Apart from hiring interpreters the police pay little attention to the Vietnamese ethnicity and the suspects' cultural backgrounds. Lack of cultural knowledge and of the Vietnamese community is perceived as a bottleneck by the investigative services. What is more, an international overview is lacking and the role of the Netherlands in that international picture is not very clear.

### **Conclusion and implications of the findings**

Limitations of the research sources- and methods include the scarce literature about the Vietnamese community in the Netherlands, the emphasis on only the most obvious suspects (that were found in raided cannabis farms) in the police registrations- and files and the limited number of (closed) police investigations. There are still many knowledge gaps regarding the criminality. Nevertheless, this research has yielded a number of interesting findings.

Among other places in the Czech Republic, England and Germany an increase in the number of Vietnamese suspects in professional cannabis cultivation has been perceived in recent years. In the Netherlands, the Vietnamese are spotted as newcomers in cannabis growing but they do not have a comparable share in the cannabis market in the way this is true in the other countries. There seems to be space for the Vietnamese on the Dutch cannabis market. Little is known about the Vietnamese community in the Netherlands: it is relatively closed to outsiders. It is typical for the community that legal and illegal activities are mixed. Both in the Netherlands and outside, the accession of Vietnamese to cannabis cultivation is linked to debt issues. In addition, existing opportunity structures play a part in the countries in question.

The Vietnamese criminal groups in the Netherlands are essentially mono-ethnic. Where cultivation necessities and the sale and distribution of cannabis are concerned there is cooperation with people or groups of different descent. Contrary to for example in England, most Vietnamese suspects in the Netherlands have legal status. What is striking is that they are middle-aged people that specialise in cannabis cultivation. Another unusual thing is that there is a relatively great proportion of Vietnamese women suspects involved in cannabis growing, who have important tasks inside the criminal groups. There seem to be various levels of criminal collaboration. There is a notion that Vietnamese cannabis growers who start out in a small way, independently running one cannabis farm, can in time move on to become operators of several farms. In some cases, there is an extensive criminal network with international connections. In addition, the Netherlands turns out to be an important source of cultivation necessities for Vietnamese criminal groups abroad. Growshops are



mentioned as facilitators for cannabis cultivation; they also act as intermediaries for cannabis sales. The Vietnamese are good at hiding their criminal activities from the authorities in various ways, including laundering the proceeds through small legal companies, fictional loans and the use of forged employer's statements. In the Netherlands violence in relation to the Vietnamese cannabis cultivation is barely observed.

For a further mapping and disruption of Vietnamese cannabis cultivation, a 'barrier model' may be helpful. There should also be attention for opportunity factors and risk factors. Police investigations should focus particularly on key figures in the criminal groups. A condition for any approach is that the intelligence on Vietnamese criminal groups and their modus operandi is improved.

