



**THE COMBINED FORCES
SPECIAL ENFORCEMENT UNIT**
BRITISH COLUMBIA

Joint Illegal Gaming Investigation Team (JIGIT)

April 7th, 2021

History

- In 2015 there was an increase in Suspicious Cash Transactions (SCT) / Suspicious cash deliveries;
- The media reported there were \$20 million in Unusual Financial Transactions (UFT's) in July 2015 (\$14 million in \$20 bills);
- The Gaming Policy and Enforcement Branch (GPEB) identified an increase in illegal gambling activities and the possible legitimization of the Proceeds of Crime through BC's Provincial gaming facilities;
- GPEB and the British Columbia Lottery Corporation's (BCLC) abilities to investigate criminal matters were limited;
- There was no dedicated, multi-jurisdictional police investigative and enforcement response to organized crime related illegal gaming in British Columbia.



Formation

- **A proposal was made by Chief Officer HACKETT to start a team within CFSEU;**
- **GPEB, the Ministry of Public Safety & Solicitor General (PSSB), Policing and Security Branch (PSB), and RCMP “E” Division agreed to create the Joint Illegal Gaming Investigation Team (JIGIT) within CFSEU-BC;**
- **In April 2016, Minister MORRIS and Minister DEJONG announced the creation of CFSEU-BC JIGIT;**
- **CFSEU-BC is primarily staffed by RCMP members, and includes Municipal Police, and Organized Crime Agency of British Columbia (OCABC) members.**



Formation of Team

- **S/Sgt. DADWAL formed the team and:**
 - **Identified the problem and gaps;**
 - **Went across the country to see how the team would be successful;**
 - **Met with various stakeholders (Ontario Provincial Police, Financial Transactions and Reports Analysis Centre, etc).**

- **The following was identified and/or reviewed:**
 - **The lack of current intelligence on gaming related offences;**
 - **The historical conflicts between GPEB & BCLC;**
 - **The previous Integrated Illegal Gaming Enforcement Team (IIGET) mandate/ effectiveness; and**
 - **The need for Major Case Management (MCM) Structure to be successful in complex investigations.**



Resources within CFSEU-BC

- **CFSEU-BC is composed of: Surveillance Teams, Legal Application Team, Covert Asset Support, Uniform Division, Open Source, Technical Services Unit (Intercepts/ Monitor Room/ Installers/ translators/ transcribers), Fleet, IT, Numerous Criminal Analysts, Forensic video, and a Disclosure unit;**
- **CFSEU-BC also has the following other Investigative teams - Island District, North & South District - RCMP, Municipal, OCABC, and other support staff province wide. (465 total);**
- **JIGIT is the 8th Investigational Team in the Lower Mainland.**



JIGIT Mandate

- The following JIGIT mandate is provided as per the delegation letter by the Assistant Deputy Minister and Director of Police Services Policing & Security Branch:
- JIGIT will provide a dedicated, coordinated, multi-jurisdictional investigative and enforcement response to unlawful activities within British Columbia gaming facilities (with an emphasis on Anti-Money Laundering strategies) and illegal gambling in British Columbia (with an emphasis on organized crime).



JIGIT's Three (3) Key Strategic Objectives

- 1) The targeting and disruption of organized crime and gang involvement in illegal gaming;
- 2) Criminal investigations of illegal gambling activities, and;
- 3) The prevention of criminal attempts to legalize the proceeds of crime through gaming facilities.

***JIGIT also has an additional strategic objective of:**

- **A public education function with respect to the identification and reporting of illegal gambling in British Columbia in collaboration with its provincial partners.**



JIGIT Organizational Structure

- JIGIT consists of two operational teams made up of 22 law enforcement positions located at the RCMP “E” Division Headquarters in Surrey, BC:
 - 1 Staff Sergeant;
 - 2 Sergeants;
 - 3 Corporals;
 - 10 Constables;
 - All to be drawn from Federal, Provincial, and Municipal agencies.
 - 2 Criminal Analysts;
 - 2 Data Support (Public Service Employees);
 - 2 Administrative Support (Public Service Employees).
- The team is supplemented by four (4) Gaming Policy Enforcement Branch (GPEB) Investigators.



JIGIT Funding

- There is an agreement from the Province for five (5) year fenced funding for JIGIT;
- 70% of the funding is provided by the Province (Attorney General) as per the Provincial Police Service Agreement (PPSA);
- 30% of the funding is provided by the Federal Government;
- The following are the yearly JIGIT budgets:
 - Fiscal Year 2016/17= \$2,571,400;
 - Fiscal Years 2017/18, 2018/19, 2019/20, 2020/21= \$4,285,700.



JIGIT Operations

- **Money Laundering / Possession of Proceeds of Crime:**
 - **Within the first year of operations, intelligence and evidence based findings determined that the main typology surrounding the Money Laundering issues at the casinos was the criminal abuse of underground banking (Informal Value Transfer System);**
 - **JIGIT's money laundering and loan sharking investigations focused on top tier organized criminals' exploitation of casinos and banks;**
 - **JIGIT investigations also focused on those individuals who operated Money Service Businesses who were in non-compliance of the Proceeds of Crime Money Laundering Terrorist Financing Act (PCMLTFA);**
 - **Exploitation of White Label ATMs – JIGIT also conducted a Money Laundering Investigation into a company supplying ATMs to BC casinos.**



JIGIT Operations (Continued)

- **Money Laundering (Continued):**
 - **These projects utilize several complex police techniques involving the collection, analysis and synthesis of evidence yielded from:**
 - **Suspect/witness interviews;**
 - **Police Agent and Under Cover Operator activity;**
 - **Wiretap intercepts;**
 - **Physical and video surveillance;**
 - **Premise and vehicle searches;**
 - **Bank records;**
 - **Mobile phone downloads (Phone contents must frequently be translated into English)**



JIGIT Operations (Continued)

➤ **Illegal Gaming Houses:**

- **JIGIT have executed many Search Warrants on Illegal Gaming Houses throughout the Lower Mainland area of B.C.**
- **JIGIT have developed an expertise in Crime Scene Management and evidence collection:**
 - **JIGIT has investigated as many as 80 individuals “found within” illegal gaming houses;**
 - **Proving element of offence for “Keeper of an Illegal Gaming House”.**
- **These investigations have resulted in charges, convictions, and disruption of criminal enterprises.**
- **Have led to: seizures of various drugs, cash, gaming tables, a firearm; also the deportation of an individual.**

➤ **Bookmaking & Online Casino Operations:**

- **JIGIT also investigates illegal bookmaking operations that are exploited by organized criminals.**



JIGIT Initiatives

- **Gaming Integrity Group (GIG):**
 - **Members within JIGIT, BCLC, and GPEB assemble monthly to discuss various evidence based Money Laundering trends, typologies, and other suspicious illegal gaming activity in BC casinos;**
 - **GIG members discuss and consider proactive and reactive measures, such as:**
 - **Placing conditions, suspensions, or bans on casino patrons;**
 - **Improvements to source of funds measures to reduce opportunities for Money Laundering, cash facilitation, and other suspicious activity;**
 - **In addition to monthly meetings, GIG members have a weekly conference call purposed for more timely discussion and exchange of information regarding the detection and analysis of suspicious transactions within casinos.**



JIGIT Initiatives (Continued)

➤ Project ATHENA:

- Project ATHENA is a Public-Private Partnership focused on combatting money laundering through underground banking, and addressed the issue of the abuse of bank drafts;
- Project ATHENA was developed in 2018 by JIGIT after operations identified the need for greater information sharing between public and private stakeholders who had an Anti-Money Laundering mandate that effected in casinos in BC;
- Project ATHENA has since become the Counter Illicit Finance Alliance of British Columbia (CIFA-BC), and a governance model is being created.



JIGIT Initiatives (Continued)

- **B.C. Money Laundering Working Group (BCMLWG):**
 - **JIGIT has developed the BCMLWG to engage municipal, provincial and federal law enforcement resources in BC to share information about money laundering trends, intelligence and investigations;**
 - **Achieved through monthly conference calls with participation by police officers and analysts;**
 - **In addition to increasing awareness of money laundering activity, the group expects to develop a cadre of Money Laundering subject matter experts.**



JIGIT Initiatives (Continued)

- **Money Service Business (MSB) Working Group:**
 - In March 2019 JIGIT worked with the Provincial Government for the development of a provincial licencing regime for MSBs in B.C.
 - JIGIT researched and worked with the Autorite de Marches Financiers (the “AMF”) in Quebec, who have a robust provincial licencing program for all individuals involved in MSBs;
 - The discussion evolved to a formal working group with representatives from CFSEU-BC, BC Ministry of Finance, BC Attorney General’s Office, BC Police Services, Richmond City Council, and the AMF in Quebec;
 - JIGIT had coordinated this initiative for increased provincial regulatory oversight, and the development of Legislation of MSBs in BC.



JIGIT Initiatives (Continued)

- **Gaming Intelligence Investigative Unit (GIU):**
 - **JIGIT established the need for a collaborative intelligence model between JIGIT and GPEB resources;**
 - **GIU is Comprised of:**
 - **1 JIGIT Police Sgt. (Responsible for Oversight and Development);**
 - **The GPEB Director;**
 - **2 GPEB Analysts and 5 GPEB investigators;**
 - **1 RCMP Analyst;**
 - **A 3 person Asset management team.**
 - **GIU has a mandate to provide a quality, dedicated, coordinated multi-jurisdictional Intelligence approach to illegal gaming in BC, with an emphasis on Money Laundering and Transnational Organized Crime Networks;**
 - **GIU focuses on timely, actionable intelligence for both law enforcement and the GPEB investigators.**



JIGIT Initiatives (Continued)

- **Police of Jurisdiction Coordinator:**
 - **An identified JIGIT coordinator to develop a relationship with an assigned resource at each detachment and/or municipal police force in the Lower Mainland area of BC that has a casino in their area of jurisdiction.**

- **Casino Coordinator:**
 - **An identified JIGIT coordinator organizes JIGIT members to have regular meetings within the River Rock Casino, Grand Villa, and PARQ Casino.**

- **Bylaw Coordinator:**
 - **An identified JIGIT coordinator has developed relationships with various bylaw officers in the Lower Mainland to discuss current trends, typologies, and enforcement opportunities related to illegal gaming houses and Money Service Businesses.**



JIGIT Initiatives (Continued)

➤ PUBLIC AWARENESS:

- **Education:** Work has been done with BCLC and Casino Service Providers to create a Media Campaign to provide Public Awareness of Money Laundering and Loan sharking indicators / activities in the Lower Mainland area of B.C.
 - This work includes providing a Hotline number to generate tips from Victims, friends and family members of those affected by Loan sharks and cash facilitators.
- **Intelligence:** The tipline will identify those who can provide insight / in-depth knowledge of individuals/groups involved in this activity (Victims/witnesses/ Confidential Informers).
- **Enforcement:** The intelligence gained will corroborate information already known on these groups, or be the foundation for future investigations.



JIGIT Training (Courses)

- **JIGIT members have received training in:**
 - **Both RCMP and Municipal courses on Proceeds of Crime & Money Laundering (One JIGIT member leads this municipal course as an instructor while another member instructs on the National RCMP course);**
 - **RCMP File Coordination Course;**
 - **RCMP Phased Interview Course;**
 - **RCMP Confidential Informer Management Course;**
 - **RCMP Major Crime Investigations Techniques Course;**
 - **RCMP Team Commander Course;**
 - **RCMP Affiant courses (2 day / 5 day): Part VI & various Judicial Authorizations;**
 - **RCMP Undercover Program (UC Cover & UC Operator);**
 - **RCMP Drug Investigative Techniques Course;**
 - **RCMP Digital Mobile Field Technician (training to conduct searches on mobile devices such as cell phones and tablets).**



JIGIT Specific Conferences / Training / Forum

- **FINTRAC Casino Forum (Ottawa):** This forum was a gathering of stakeholders in the Casino Industry that included banking, casino service providers and regulators, and JIGIT members.
- **The National Crime Agency (NCA) Expert Laundering Evidence cadre in England:**
 - The cadre included Money Laundering Subject Matter Experts (SMEs) from NCA, Australian Federal Police, Federal Bureau of Investigation, and New Zealand Police;
 - The course introduced delegates to the role of providing expert evidence and covered various Money Laundering typologies and terminology; with input from expert witnesses, SMEs and barristers/lawyers.
- **Anti Money Laundering Certified Specialist (ACAMS) Training:** ACAMS is the world's largest International membership organization dedicated to enhancing expertise of financial crime detection and prevention from both public & private sectors:
 - Several members have attended ACAMS conferences;
 - Three (3) members have successfully completed ACAMS certification as Specialists;
 - Three (3) members are currently registered, with certification pending.



JIGIT Presentations / Lectures Given

- **JIGIT members have provided numerous presentations locally, Nationally, and Internationally. They have included:**
 - **Evidence based findings on criminal application of Informal Value Transfer Systems;**
 - **Evidence based findings on illegal Money Service Businesses;**
 - **Evidence based findings on Illegal Gaming Houses;**
 - **Project ATHENA initiative background and vision.**

- **Audiences to these presentations include: FINTRAC, Federal Serious and Organized Crime, Canada Border Services Agency, Canada Revenue Agency, Vancouver Police, City of Richmond Community Safety Committee, Canadian Banker's Association, Compliance & Anti-Money Laundering officers from the Major banks in Canada and some credit unions, Australian Federal Police, Drug Enforcement Agency, Internal Revenue Service, Homeland Security Investigations, National Money Laundering Working Group (RCMP National Headquarters), Association of Certified Anti-Money Laundering Specialists Conference, United Nations Office on Drugs and Crime, Canada Department of Finance.**



JIGIT Partnerships

- In addition to regular day to day communication with GPEB and BCLC, JIGIT works with the following partners:
 - **Canada Revenue Agency: Criminal Investigations Division (Pacific Region):** JIGIT has regular discussions and meetings with this group regarding Money Laundering typologies related to the gaming industry;
 - **Regular Contact with various Major Banks and Credit Unions in Canada through:**
 - Project ATHENA/CIFA-BC;
 - The service of Production Orders for banking records;
 - Various Anti-Money-Laundering Vice Presidents, managers, and investigators within: Royal Bank of Canada (RBC), Hongkong and Shagnhai Banking Corporation (HSBC), Toronto Dominion (TD), Scotiabank, and Bank of Montreal (BMO),
 - **Financial Transactions and Reports Analysis Centre (FINTRAC):**
 - FINTRAC provides JIGIT with timely relevant FINTRAC disclosures (Voluntary Information Reporting) to further investigations;
 - JIGIT contributed to Operational Alert (December 2019) to Reporting Entities on topic of: Laundering the Proceeds of Crime through a casino related underground banking scheme.
 - **Crown Counsel:**
 - Advisory and assigned prosecutors within Special Prosecutions Branch are currently assessing a complex JIGIT ML investigation;
 - JIGIT has had engagement from various Federal and Provincial prosecutors surrounding prosecutions on Cheat at Play and illegal gaming houses prosecution/convictions.



JIGIT Partnerships (Continued)

- **Canada Border Services Agency:**
 - **Meetings and relationships formed with members of Pacific Region Intelligence and Enforcement Divisions;**
 - **Regularly discuss Money Laundering typologies/ Disclosures through Custom Act/ Deportation (Immigration and Refugee Protection Act violations).**

- **Drug Enforcement Agency/ Homeland Security Investigations/ Internal Revenue Service: Various partnerships with Special Agents and Task Force Officers with knowledge of International Money Laundering typologies;**

- **Various Police of Jurisdiction partnerships:**
 - **Involvement in JIGIT files in their jurisdiction (Vancouver, Richmond, Nanaimo) to develop expertise;**
 - **JIGIT provided presentations on typologies, indicators, and JIGIT assistance.**



JIGIT Partnerships (Continued)

- **Various partnerships within Casino Service Providers within Great Canadian Gaming Corporation (GCGC)/ Paragon/ Gateway:**
 - **Executive Director;**
 - **Corporate Security and Compliance;**
 - **Surveillance staff;**
 - **Cage operations.**

- **BC Civil Forfeiture Office:**
 - **JIGIT investigations into Money Laundering, Proceeds of Crime, and Illegal Gaming Houses have resulted in successful Civil Forfeitures totalling an amount in excess of \$800,000 since inception.**



JIGIT Review – November 2020

- **As per the mandate letter from Public Safety and Solicitor General (PSSG), near the conclusion of the 5 year agreement the results of a review evaluating JIGIT's performance were released in November of 2020. This review served to determine if JIGIT would continue beyond its 5 year mandate.**
- **Scope of the Review:**
 - **To assess the adequacy and effectiveness of JIGIT's service delivery;**
 - **To examine the structure and resourcing of JIGIT in the context of current and emerging knowledge about the money laundering environment in BC and Nationally.**
- **JIGIT members were highly engaged in the review through the provision of performance metrics (operational & intelligence), program costs, resources, financial budgets, business cases, presentations, training, and interviews of past and present members.**



JIGIT Review – November 2020

- **The Policing and Security Branch Review was favorable and endorsed the continued support of JIGIT.**
 - **A new agreement is pending, and will accommodate the Cullen Commission recommendations and 44 recommendations from the JIGIT Review.**
- **JIGIT have reviewed the report and the recommendations and have already implemented many of them.**



JIGIT Review – Recommendations

➤ Recommendations not within JIGIT's Power to Address:

- The following JIGIT Review recommendations are dependant on the action of other parties, such as the Public Safety Branch, BCPS, etc:
 - 3, 4, 5, 6, 8, 9, 12, 13, 15, 16, 17, 25, 31

• Recommendations Already Implemented / Being Implemented by JIGIT:

- The following JIGIT Review recommendations have either already been implemented or are in the process of being implemented by JIGIT:
 - 1, 2, 7, 11, 18, 20, 27, 29, 32, 35, 36, 38, 39, 40, 41

• Recommendations Planned to be Implemented by JIGIT:

- The following JIGIT Review recommendations are planned to be implemented but have not yet be actioned:
 - 10, 28, 30, 33



JIGIT Review – Recommendations

➤ Additional Recommendations:

- The following are some examples of JIGIT Review recommendations that are not planned to be implemented upon JIGIT's consideration:
 - Recommendation 14: JIGIT already experiences good engagement with PPSC and BCPS for legal issues;
 - Recommendations 19: In consideration of the other existing mechanisms for reporting to the Board of Governors, it is felt that another advisory committee would be redundant to other reporting to the Public Safety Branch;
 - Recommendation 37: The existing collaboration with BCLC is strong, and JIGIT has already established an informal relationship with Casino Service Providers. It is noted that JIGIT would be very limited on the information they would be able to share with these parties;
 - Recommendation 42: JIGIT already has effective measures to track Proceeds of Crime assets seized;
 - Recommendation 43: JIGIT Operations already prioritizes high level gaming houses, and has support from the CFSEU-BC Senior Management Team.



JIGIT Accomplishments

- **The following are some of the significant Press Releases relating to JIGIT's notable accomplishments:**
 - **February 7th, 2017:** Two men arrested and charged after a JIGIT investigation into a dealer and patron at Lake City Casino in Kelowna. Both were later convicted.
 - **June 13, 2017:** Multiple arrests after an extensive year long investigation into money laundering. The Story provides arrests connected to a criminal organization allegedly operating illegal gaming houses, facilitating money laundering for drug traffickers, loan sharking, kidnappings and extortions within the hierarchy of this Organized Crime Group. This investigation was led by JIGIT, but included contributing agencies.
 - **September 6th, 2018:** Keeper of an Illegal Gaming House charges were laid on a male who was arrested operating an illegal gaming house at the 1200 block East Hastings Street, Vancouver
 - **November 26th, 2020:** Four men charged each with Keeper of an Illegal Gaming House, following an illegal gaming investigation by JIGIT that had resulted in a Search Warrant execution at Big Shot's Café in Burnaby on July 4th, 2020.



JIGIT Accomplishments

Disruption of Illegal Gaming Activities:

- There was a strategic decision to have no press release on other files including one file that resulted in the disruption of five (5) illegal gaming operations being closed;
- JIGIT has completed in excess of thirty-five (35) referrals to other police and partner agencies;
- As a result of JIGIT various enforcement there have been thirty-eight (38) registered gaming workers' licenses banned/restricted following Post Registration investigation by GPEB;
- As a result of JIGIT applications there has been in excess of \$800,000 successfully forfeited through the BC Civil Forfeiture Office;
- As a result of JIGIT information sharing through the creation of Project ATHENA / CIFA-BC, there has been systematic procedural changes within most major banks to close gaps on ML vulnerabilities;
- JIGIT investigations have resulted in the deportation of three (3) individuals due to their illegal gaming activity in B.C.
 - Many others with involvement with illegal B.C. gaming venues or underground banking have left the country following the enforcement of these gaming-related offences by JIGIT.

