



horizons no.1

High Petrol Prices and Organised Crime

Key points

- ***Organised crime seeks opportunities to exploit vulnerable markets, including expensive commodities, for gain. High petrol prices provide this opportunity.***
- ***Drivers – global economic issues are driving petrol prices.***
- ***International – many countries are experiencing criminal activity and organised criminal exploitation.***
- ***Australia - criminal activities are likely to comprise predominantly predictable criminal activities, however, there is potential for organised criminal exploitation.***

This Horizons report is one of a series of provisional reports of emerging areas of **potential** exploitation by organised crime. It is based on possibilities rather than probabilities and seeks to promote discussion on emerging trends and issues.

The information contained in this report has been derived from open source information and as such this does not constitute a dissemination under the ACC Act 2002.

For further information or to make a comment or suggestion regarding this product please contact the ACC Strategic Outlook Team on +61 2 6243 6668 or email outlook@crimecommission.gov.au. The ACC is committed to continual improvement and would appreciate your feedback.

Drivers

Drivers of current high petrol prices include:

- Economic – increases in refined petrol prices, high world market prices, disruptions to oil production and other global economic issues.

Criminal exploitation of international high petrol prices

With the exception of the major oil producers, most countries are currently experiencing high petrol prices – many are also experiencing protests by affected industries and communities.

Predictable criminal activities observed internationally include opportunistic activities such as petrol theft from service stations (drive away without paying) and private vehicles (siphoning or drilling petrol tanks), low level fraud (grifting or swindling) and excessive petrol hoarding (in contravention of storage and safety regulations).

Potential organised criminal activity reported, but not yet collaborated, internationally includes fuel discount email spams (identity theft), industrial scale petrol (from underground storage tanks or multiple trucks) siphoning, petrol pump hacking (allegedly disabling or reprogramming the pump followed by multiple use), RFID (radio-frequency identification¹) hacking to avoid payment at petrol pumps, high level fraud, bribery and illicit petrol trading.

¹ An automatic identification technology.

Criminal exploitation of domestic high petrol prices

Australia is currently experiencing high petrol prices and increased criminal activity. This activity is likely to continue at higher than average levels while petrol prices remain high.

In addition to the predictable criminal activities described above Australia is likely to experience continued registration plate theft to facilitate petrol theft, the manufacture and sale of adulterated or substituted fuel, potential fuel performance enhancement scams and organised fuel theft from farms. Should high petrol prices continue for an extended period there is potential for organised criminal activity including hacking activities as described above, industrial scale petrol theft or hoarding. Substantial price increases could also influence attempts to manipulate markets or regulation processes, high level corruption, bribery and fraud.

Current and projected responses

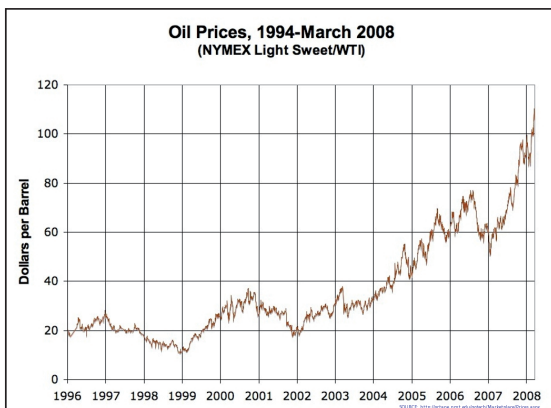
As some predictable criminal activities have been observed here local arrangements to monitor this activity should continue and new strategies could be considered if criminal activity becomes widespread.

As there is currently no sign of potential organised criminal activity in Australia, current responses should include monitoring and information sharing. If significant indicators are observed, a cooperative response should be considered.

Indicators of potential organised criminal exploitation

- Email spam activity offering bogus fuel discounts
- Industrial scale theft or hoarding
- Petrol pump or RFID hacking
- Illicit petrol trading
- Corruption, bribery or fraud related to fuel

Figure 1: Oil Prices, 1994-March 2008



Source: http://upload.wikimedia.org/wikipedia/en/2/2f/Oil_Prices_Medium_Term.png

Indicator 1: Petrol spam

Reports from the US indicate that spammers have taken advantage of rising fuel prices by offering bogus fuel discounts in spam emails. This is a variation on a scam usually reserved for financial theft, identity theft and malware propagation.

Link: <http://www.vnunet.com/vnunet/news/2216339/spammers-fill-gas-scam>

Indicator 2: Farm thefts of fuel

Reports from Queensland indicate that the apparent organised theft of fuel stores and property from farms in the Bundaberg region had increased in the last six months and that farmers were spending more on protective security measures.

Link: <http://www.news-mail.com.au/storydisplay.cfm?storyid=3771395>

Indicator 3: RFID hacking

Reports from the US indicate that an organised theft ring used a device to hack gas station pumps and steal unlimited amounts of gasoline in Florida. The computerised device was used to bypass the pumps so they could pump an unlimited amount of gas into at least five vehicles.

Links: <http://www.local6.com/news/15964636/detail.html> & <http://www.shortnews.com/start.cfm?id=70218>

Some links

<http://www.hackinthebox.org/modules.php?op=modload&name=News&file=article&sid=20282>

<http://phorums.com.au/archive/index.php/t-154986-p-2.html>

<http://www.thehindu.com/2008/06/05/stories/2008060558210300.htm>

<http://en.wikipedia.org/wiki/RFID>

<http://www.independent.co.uk/news/uk/home-news/petrol-rationed-to-stop-hoarding-as-supplies-dwindle-on-the-forecourts-816211.html>

<http://www.independent.co.uk/news/uk/home-news/petrol-rationed-to-stop-hoarding-as-supplies-dwindle-on-the-forecourts-816211.html>

http://www.fairtrading.nsw.gov.au/Consumers/Buying_goods/Petrol.html

<http://au.answers.yahoo.com/question/index?qid=20080516053519AAqLr9v>

<http://www.iam.org.uk/motoringtrust/news/archive/2005/statchighpetrolpricesdeprivehighstreetshopsopotential120million.htm>

<http://jalopnik.com/396086/the-five-best-ways-to-steal-gasand-one-really-bad-way>

[http://www.lawlink.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/vwFiles/CJB101.pdf/\\$file/CJB101.pdf](http://www.lawlink.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/vwFiles/CJB101.pdf/$file/CJB101.pdf)

<http://www.eubusiness.com/news-eu/1203386521.48/>

<http://news.theage.com.au/national/car-thefts-linked-to-high-petrol-prices-20080415-26aa.html>

<http://www.bossuk.org/factsfigures.htm>

<http://globalresearch.ca/index.php?context=viewArticle&code=20060411&articleId=2255>

http://www.actnow.com.au/Issues/Petrol_prices.aspx

<http://www.accc.gov.au/content/index.phtml/itemId/806315/fromItemId/624332>

