



Safeguarding on-line villa bookings to reduce the risk of fraud

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1. The global spread of internet and exposure to crime

- The number of internet users is increasing exponentially since it's creation
- In 2015, more than 3 billion people will have access to the World Wide Web, that's 40% of the global population
- The average number of hours of internet use is also increasing
- The internet is now global and established as invaluable platform for human interactions



1. The global spread of internet and exposure to crime

- One major aspect of these interconnections is the possibility of **anonymity**
- This creates an environment where a perceived level of anonymity implies a lack of consequence and responsibility
- Together with the facilitated access to more than **3 billion potential victims**, the internet has become the tool of choice for many criminals



1. The global spread of internet and exposure to crime

- Cybercrime is experiencing a rapid growth and becoming a pressing menace
- Data from 2012 estimates the global costs/losses attributed to cybercrime to be more than **388 billion USD**
- By comparison the global trafficking of cannabis, cocaine and heroin when combined amounts to **288 billion USD**
- The same study also point to more than a million new cybercrime victims every day



2. Decomposing Cybercrime

- We can attempt to categorize cybercrime according to the object of the criminal action:
 - **Individuals:** crimes like distribution of child pornography, child soliciting or cyber stalking;
 - **Property:** comprises crimes where the criminal drive is to illicitly take possession of assets or to produce some kind of damage to these assets. Encompasses theft of bank details, credit card fraud, online scams or use of malicious software (like virus);
 - **Government:** less common category and normally referred as cyber terrorism.



3. Internet Fraud / Online Scams

- The second most common type of cybercrime (next to computer virus or malware)
- Great variety of online scams
- The internet gave to existing fraudsters the possibility of enormously expanding their “traditional business”
- Also allowed the development of new types of fraud, taking advantage of new social networks and markets



3. Internet Fraud / Online Scams

- Any individual with a criminal intent and some creativity can become an internet fraudster
- Besides single individuals who devote themselves (partially or full-time) to online scams the internet also gave rise to numerous **criminal enterprises** centered on online scams
- These enterprises are highly organized and can have numerous full-time members



4. Fraud Concerning On-line Villa Bookings

- Very similar to frauds involving the online sale of commodities
- The scammer will start by creating anonymous means of communicating with the potential victims
- He/She will also secure a mean of anonymously receive the money from the fraud
- Will post a fake online ad, many times hijacking a real one and altering specific parts



4. Fraud Concerning On-line Villa Bookings

- When contacted the criminal will ask for a deposit fee
- It's a fraud that can occur all over the globe, but is frequent in places with dynamic property rental markets
- This is true for Portugal where most of the on-line rental scams mimic ads for the tourist region of Algarve
- The scams tend to rise as one approaches high seasons



5. Challenges to the Investigator

- The countermeasures used by the scammer (being of most relevance the ones pertaining to the money circuit)
- Constitutes a bigger challenge if the criminal operates from outside the jurisdiction of the investigator
- Besides dealing with the countermeasures mentioned above, the investigator has to deal with different national jurisdictions and bureaucracies



6. Guidelines on Reducing the Risk of Fraud

- Consumer guidance's:
 - Look for any kind of certification concerning the product being offered
 - be aware of deals that are simply too good to be true
 - Learn as much as possible about the trader (paying attention to ratings and reviews), even consider establishing prior contacts
 - Use a secure payment process and also avoid sending payments to countries other than the one where the property is supposed to be located
 - Retain copies of all correspondence and communication with the trader



6. Guidelines on Reducing the Risk of Fraud

- Institutional guidance's:
 - Regulate the commercial platforms hosting the ads to include certain security features when posting third party ads
 - Implement an independent certification service or agency in order to validate the properties being rented online



7. Statistical and Other Public Sources

Europol 2014 Internet Organized Crime Threat Assessment (IOCTA), available at: www.europol.europa.eu/ec3;

Special Eurobarometer on Cyber Security (2013), available at <http://ec.europa.eu>;

Norton Cybercrime Report, available at: www.symantec.com;

McAfee Threats Report: second Quarter 2013, available at: www.McAfee.com;

FBI on common fraud schemes, available at: www.fbi.gov/scmas-safety/fraud;



7. Statistical and Other Public Sources

Fraud alerts at Polícia Judiciária, available at:

www.policiajudiciaria.pt;

Crime Prevention Advice, available at:

<http://www.safecommunitiesalgarve.com/>;

True Cost of Fraud (2014 study by LexisNexis), available at:

www.lexisnexis.com;

General internet stats at: www.internetlivestats.com;



Thank You All for Attending

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joao.monteiro@pj.pt

+351 289 884 574