



## The Economic Impacts of Cyber Crime

Press Releases: European Project E-CRIME, duration 36 months, total cost € 3,749,289

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The ECRIME project recently released its report on opportunities for deterring and fighting cybercrime across non-ICT sectors. Led by experienced cyber crime researchers and practitioners within the University of Lausanne, this report clearly sets out the main challenges and constraints that impact the development of optimised cyber security solutions.

Focussing on the economic issues, cyber criminality has developed rapidly, such that States aren't sufficiently organised to bring a global response to this phenomenon. The reporting rate of incidents and infractions is low, which impacts the quality of cyber crime statistics. It also increases the costs for both victims and the wider society, for this lack of offender identification results in the victims bearing the costs of the crimes that affect them. In this sense, it is society that is forced support the costs of cyber criminality.

Cyber offenders who escape prosecution cannot be forced to compensate victims. Profits from these crimes also deprive governments of money for public coffers by avoiding taxation mechanisms. Illicit profits collected by offenders, imported into host countries through various channels involving multiple transfers, cash transmissions often via the cash money transfer companies, or "under the table" deals with officials, avoid tax in the country of the victims, as well as the country hosting the cyber criminal.

If cybercrime is a form of survival for some, its earnings maintain black markets, fund corruption and tax evasion. It contributes to an immediate enrichment of some countries but their future impoverishment due to the state disintegration that the state crime operates.

Further details can be accessed through the ECRIME website, particularly D7.1: *Report on the opportunities for deterring and fighting cybercrime across non ICT sectors.*

Top level European experts from several scientific domains and different industrial sectors have started to investigate the economic impacts of cyber crime in Europe

The key objectives of E- CRIME are:

1. To measure the economic impact of cyber crime on non-ICT sectors
2. To analyse the criminal structures and economies behind such crimes
3. To develop concrete measures to deter such crimes

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