

CYBER CRIMES CENTER

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT

DEPARTMENT OF HOMELAND SECURITY

BEFORE THE U.S. HELSINKI COMMISSION

June 17, 2008

INTRODUCTION

Chairman Hastings, Co-Chairman Cardin, and distinguished Members of the Commission on Security and Cooperation in Europe, my name is Shawn Bray and I am Unit Chief, Cyber Crimes Center at the Department of Homeland Security's U.S. Immigration and Customs Enforcement (ICE). I appreciate the opportunity to discuss ICE's authorities and responsibilities with respect to investigating U.S. trans-border child sexual exploitation crimes.

THE ICE MISSION

Among Department of Homeland Security law enforcement agencies, ICE has the most expansive investigative authorities and the largest number of investigators. ICE is the nation's principal investigative agency for crimes related to the nation's borders, including violations of American customs and immigration laws. Our mission is to protect the American people by combating terrorists and other criminals who seek to cross our borders and threaten us here at home. Working overseas, along the nation's borders and throughout the nation's

interior, ICE agents and officers are demonstrating that our unified immigration and customs authorities are a powerful tool for identifying, disrupting and dismantling criminal organizations that violate our Nation's borders.

Our agents and officers make it harder for potential terrorists and transnational criminal groups to move themselves, their supporters, illicit funds or weapons across the Nation's borders through traditional human, drug, contraband, or financial smuggling networks, routes and methods. Since its creation in March 2003, ICE has combated threats to our border, homeland and national security, including the cross-border Internet sexual exploitation of children.

OPERATION PREDATOR

Operation Predator is an ongoing ICE initiative focused on the trans-border aspects of child exploitation, including the related financial crimes. It is designed to identify and investigate those engaged in Internet child pornography, including the criminal business conspiracies that support this illicit trade. The program organizes ICE's activities in child exploitation investigations to arrest/apprehend and ultimately to prosecute and/or deport a variety of violators, including:

(1) Individuals who engage in the receipt, transfer, distribution, trafficking, sale, facilitation, and production of child pornography in foreign commerce, including utilization of the Internet;

(2) Individuals who travel internationally for child sex tourism or facilitate such travel;

(3) Individuals who engage in the human smuggling and trafficking of minors- into the United States for illicit sexual purposes (sexual exploitation and/or prostitution) or worksite exploitation, and/or commit any crimes resulting in the harm, injury or death of a minor (not including the smuggling of children by parents for family unity reasons);

(4) Foreign nationals/aliens who have been convicted of local, state or federal offenses against minors under the age of 18 and are now eligible for removal from the United States; and

(5) Those same criminal aliens who have been previously deported from the United States for such offenses but have re-entered the country illegally.

These five enforcement categories are an integral part of the mission and responsibility of ICE in terms of border security, since the heinous criminal activities involving child exploitation are not confined within, or hindered by, a country's physical borders, but rather transcend them. The advent of the Internet has created even greater opportunities and incentives for ruthless predators to profit by exploiting children in the borderless anonymity of cyberspace. One can now transmit child pornography through foreign commerce by simply typing on a computer keyboard, with less obstruction and risk than arriving at a port of entry with child pornographic material hidden in luggage.

Officially launched by ICE on July 9, 2003, Operation Predator is currently managed and administered by the Cyber Crimes Center, a headquarters unit of the Office of Investigations, which coordinates enforcement efforts against trans-border child sexual exploitation. As part of those efforts:

- ICE established a single web portal to access all publicly available state Megan's Law databases.
- ICE created a National Child Victim Identification System in partnership with the National Center for Missing and Exploited Children (NCMEC), the FBI, U.S. Postal Inspection Service, U.S. Secret Service, the Department of Justice, the Internet Crimes Against Children Task Forces, and other agencies.
- ICE stationed attaches internationally to work with foreign governments and foreign law enforcement counterparts to enhance coordination and cooperation on trans-border crime.
- ICE is working with INTERPOL to enhance foreign government intelligence on criminal child predators.

As of June 4, 2008, ICE has made a total of 11,331 criminal and administrative arrests under Operation Predator. Of that total, 9,477 were non-US citizens (aliens/foreign nationals); and of those, 6,318 individuals were deported from the United States.

THE COMMERCIAL ONLINE CHILD EXPLOITATION ENVIRONMENT

The ICE Cyber Crimes Center (C3) is responsible for investigating violations of immigration and customs laws that occur in cyberspace, including trans-border sexual exploitation of children over the Internet. When ICE investigates the online sexual exploitation of children, we focus on three components of the Internet: international commercial and non-commercial websites, international Peer-to-Peer groups, and international Internet Relay Chat.

Criminal organizations increasingly use the Internet to internationally advertise, distribute, and receive electronic contraband, specifically images of child exploitation. In doing so, they are reaping enormous profits from the sale of access to websites containing these images. To stop the proliferation of international commercial child exploitation websites, C3 dedicates substantial investigative resources to identifying and dismantling the criminal organizations responsible for such sites and the exploitation from which they profit.

Although it is difficult to determine the exact number of web sites offering images of child sexual exploitation, ICE believes there several hundred commercial child pornography content websites supported by thousands and thousands of URLs for teaser sites, advertising sites and the like. Among members-only web sites, there is a tremendously high rate of duplication, with many identical or noticeably similar sites operated by the same individuals. Furthermore, we often encounter 10 to 15 different advertising web sites operated by the same individuals, all of which link to the same members-only website. This renders an accurate count of

web sites depicting child exploitation especially difficult to obtain.

Recent investigations, including ICE's unprecedented Operation Falcon, have revealed a common methodology that criminal organizations use to commercially distribute images of child exploitation around the world. Typically, the organization consists of at least three component groups. The first of these groups includes the individuals responsible for uploading and maintaining the advertising and payment websites. These websites provide willing customers the opportunity to purchase Internet access to websites with a large volume of child exploitation images. The second group consists of individuals who facilitate the payment process. ICE has identified the following online payment methods used by international commercial child exploitation organizations: e-Gold, PayPal, Western Union, and traditional credit card-based merchants. We believe there are subgroups within this second group with responsibility for exploiting each type of international Internet payment method. They remain attentive to the development and availability of new financial methods. The third group consists of those who control the overall criminal organization, decide which payment method will be used in a given situation, determine the content of the members-only child exploitation website, and direct the laundering and distribution of the proceeds.

ICE's Internet child exploitation investigations have revealed that many of those who control and profit from these electronic images are located in Eastern

Europe and former Soviet countries. Furthermore, there is likely some overlap within these organizations because of the ease with which the three groups described earlier can provide their services to multiple organizations at any given time. For example, an organized payment facilitator can easily accept payments from multiple advertising websites for access to multiple members-only websites. A website that advertises access to members-only child exploitation websites is easy to upload to Internet web servers and can be operational at multiple locations within one day. Payment websites have a similar structure and are easy to operate, whereas members-only websites are much larger and more difficult to upload. Generally the same members-only website is uploaded on one Internet web server and allowed to operate for 30 days, after which its operators remove it from the server and upload it to a different server.

CONCLUSION

ICE's Cyber Crimes Center is dedicated to working to identify all individuals involved in international criminal organizations and component groups that conduct every type of activity associated with trans-border child exploitation. These individuals include those who advertise specific members-only websites, those who facilitate customer payments, those who control the members-only websites, and those who ultimately receive the proceeds from the sale of child exploitation images. With an investigative expertise in international financial crimes, including money laundering, C3 is working diligently to identify and dismantle the international criminal organizations that operate child exploitation websites, as well as identifying the many individuals that frequent or subscribe to

these websites. ICE coordinates closely with the:

- Internet Crimes Against Children Task Forces,
- Various elements of the Department of Justice's Project Safe Childhood initiative, and
- Non-Governmental Organizations, like the National Center for Missing and Exploited Children, to maximize the effect of these international investigations and thereby protect children.

I hope my remarks today have been helpful and informative.

Thank you for inviting me and I will be glad to answer any questions you may have at this time.