

FIFTEENTH REPORT OF THE INDEPENDENT MONITORING COMMISSION

Presented to the Houses of Parliament by the Secretary of State for
Northern Ireland in accordance with the Northern Ireland
(Monitoring Commission etc) Act 2003

Ordered by the House of Commons to be printed 25th April 2007

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1. INTRODUCTION

1.1 We present this report on the continuing activities of paramilitary groups under Articles 4 and 7 of the International Agreement establishing the Independent Monitoring Commission¹.

1.2 We normally present reports of this kind at six monthly intervals. The British and Irish Governments published our Twelfth Report in October 2006 and, following the St Andrews Agreement, asked us for an additional one in January 2007². This report therefore comes at the normal six monthly point but contains new material only for the three months 1 December 2006 to 28 February 2007. In the ordinary course of events our next report under these Articles will be in October 2007.

1.3 Two things have been key to all our work:

- First is the objective of the Commission set out in Article 3 of the International Agreement;

The objective of the Commission is to carry out [its functions] with a view to promoting the transition to a peaceful society and stable and inclusive devolved Government in Northern Ireland.

- Second are the principles about the rule of law and democratic government which we published in March 2004 and which we set out in Annex II.

1.4 We also think it is important to reiterate three points about the nature of our work:

¹ The text of Articles 4 and 7 is in Annex I.

² IMC Twelfth Report, published October 2006 and IMC Thirteenth Report, published January 2007. Our Fourteenth Report, published in March 2007, was on security normalisation, under a separate part of our remit.

- We have explained in some detail how we approach our task³. We believe that our methods are fair and thorough; we take great care in our assessments; and we have always tried to learn from the experience gained in each report and from what people have said to us about them. We welcome frank comment, on this report no less than on its predecessors;
- We appreciate that while the report addresses the situation in Northern Ireland as a whole, the situation varies very considerably from place to place. People may therefore find that the picture we paint does not tally with their personal experience;
- The views we express in our reports are ours alone. We are independent and expect to be judged by what we say. We do not make statements of official policy. It is for the two Governments and, in the context of devolution, the Northern Ireland Assembly, to decide how to respond to our reports.

³ IMC Fifth Report, May 2005, paragraphs 1.9-1.13.

2. PARAMILITARY GROUPS: ASSESSMENT OF CURRENT ACTIVITIES

2.1 We set out below our assessment of the current activities and state of preparedness of paramilitary groups. We cover the six month period from 1 September 2006 to 28 February 2007, adding to and updating the assessment we gave in our Thirteenth Report for the months of September, October and November 2006⁴ and focusing on December 2006 and January and February 2007.

Dissident Republicans Generally

2.2 In recent reports we have referred to some activities which we were satisfied had been undertaken by dissident republicans but which we could not at the time attribute to a particular organisation. In our Thirteenth Report we noted that dissidents had undertaken a number of assaults (some of them sectarian), had targeted police officers, gathered information on alleged drug dealers and had held a training camp in South Derry. We were unable to attribute any of these incidents to a particular organisation. We also noted that Óglaigh na hÉireann (ONH) had been more dangerously active. For the first time it deployed explosive devices, two in attacks against PSNI officers and one which failed to explode, and it was also responsible for hoax bombs.

2.3 On 30 November 2006 (at the very end of the period we had covered in our previous report) an incendiary device which failed to function was placed next to the courthouse in Coleraine. We now believe this was the responsibility of dissident republicans, though we cannot say which

⁴ IMC Thirteenth Report, January 2007, Section 2.

Our succession of Article 4 reports give a comprehensive account of our views over the whole period since we were formally established in January 2004. Our First Report also gave an account of the origins of the groups and of their structures at that time.

We have produced two kinds of report under Article 4. Of the 10 hitherto, 8 have covered the activities of all the groups. These were our First (April 2004), Third (November 2004), Fifth (May 2005), Seventh (October 2005), Eighth (February 2006), Tenth (April 2006), Twelfth (October 2006) and Thirteenth (January 2007). The other two reports under Article 4 were ad hoc ones produced at our own initiative. The first of these (our Fourth Report, February 2005) dealt with the Northern Bank Robbery and the second (our Sixth Report, September 2005) dealt with the UVF/LVF feud.

organisation. The following month an incendiary device was found at a store in Enniskillen; the device might have been in place for some time and we are unable to say which dissident organisation was responsible, although RIRA had been responsible for a number of such devices in the late summer and autumn of 2006 and it is possible this was one of them.

- 2.4 ONH claimed responsibility for three pipe bomb attacks against PSNI premises and the homes of police officers, of which only one functioned to a limited extent. People associated with ONH were discovered in possession of bomb-making and other terrorist equipment in February 2007. ONH therefore remained active, and showed a determination to continue acts of terrorism.

Continuity Irish Republican Army (CIRA)

- 2.5 In our Thirteenth Report we said that CIRA had been responsible for a number of paramilitary incidents, including firing shots at a PSNI station, other shootings, an assault and the issuing of threats, though we noted that one of the shootings and the threats were apparently unsanctioned by the leadership. Members continued to be involved in criminal activity and CIRA had again sought to sustain itself as a paramilitary organisation through efforts to recruit and procure weapons, by training members in the use of firearms and by developing and test-firing explosives. Overall, we concluded that CIRA remained committed to terrorism, was an active but not widespread threat, and that it would undertake acts of violence if it was able to and believed them to be in its interests.
- 2.6 CIRA was responsible for a pipe bomb which failed to explode found next to Lurgan PSNI station in December 2006. In February it issued threats against people it alleged were selling drugs to children. CIRA also targeted PSNI officers in December, though it did not seek to take action as a result. It made one attempt to disrupt Sinn Féin's public consultation on policing the following month by making a hoax call, but it did not pursue a plan to place a hoax device on the same occasion. Members of the organisation, including senior ones, remained involved

in serious crime, such as smuggling, fuel laundering and robbery. We believe that although most of the proceeds go to the individuals some are likely to pass to the organisation. Organisationally, CIRA made limited efforts to recruit members and in December we believe it was likely it was training members in terrorist skills. We also believe it made attempts to acquire weapons from other dissident republicans over the period under review, but we are not able to say if these attempts were successful. Over this period we believe it planned but did not execute other attacks.

- 2.7 Since the period under review in this report there have been two murders for which we think CIRA was responsible. We will deal with them in our next report.
- 2.8 Our overall view is therefore that CIRA remained active, and for political reasons was possibly less active over this period than it might have been. There was further evidence that it wants to maintain its terrorist capability and we have no reason to think that its commitment has in any way lessened. It thus remains a dangerous organisation and capable of a greater level of violent and other crime.

Irish National Liberation Army (INLA)

- 2.9 In our Thirteenth Report we noted that INLA activity had remained low, though it had been violent – two shootings, two assaults and a number of people exiled. The organisation continued to raise funds through crime, such as drugs dealing, tobacco smuggling and extortion. We concluded, as we had in successive earlier reports, that although the level of activity was low INLA remained a threat and that it might become more active than it had been in the recent past.
- 2.10 INLA activity has continued to be low in the three months under review, and less violent than in the preceding three months. Members from Strabane were responsible for abducting and assaulting a person in December. INLA remains involved in serious crime, and although much of the proceeds are for personal gain some may go to the organisation. However, after the end of the period under review there have been

some indications that the level of criminal activity was increasing. We conclude, as we have for some time, that the organisation remains a threat, and we cannot rule out that it might again become more dangerous.

Loyalist Volunteer Force (LVF)

2.11 In our Thirteenth Report we recorded a low level of paramilitary activity – one assault and an instance of intimidation – but continuing criminal activity on the part of those acting in the name of the organisation, albeit mainly for personal gain. These crimes included drug dealing and money laundering. We considered again the question of the nature of the LVF, given that some claimed it had ceased to exist as a paramilitary organisation and that those who said they acted in its name should be considered only as criminals. But we noted for example that the LVF had not decommissioned weapons. We concluded, as we had in our Twelfth Report in October 2006, that the LVF should still be considered as a paramilitary organisation and we repeated our previous assessment, namely that it was primarily a criminal organisation without any coherent political purpose.

2.12 The LVF was not involved in activities of a terrorist kind during the three months under review and had no apparent political aspirations. It did not undertake any assaults, although people previously linked to it were responsible for attacks apparently designed to intimidate a former member. But people who use the LVF name remained heavily engaged in serious crime, including drug dealing and the distribution of counterfeit money. We believe that the proceeds from these activities are for personal gain rather than the benefit of the organisation or to fund terrorism. Despite retaining some form of structure the LVF is now simply a criminal gang. It still has weapons and is not presently considering decommissioning them. Our view therefore is that those using the LVF name are primarily a criminal concern without any coherent political purpose.

Provisional Irish Republican Army (PIRA)

2.13 In our Thirteenth Report we noted a number of significant developments which in our view reinforced our previous conclusions that the PIRA had a clear strategy to follow a political path and that the leadership was implementing it firmly. We noted that the directions of the leadership to this effect were clear and that terrorism and violence had been abandoned. There had been no involvement in terrorist activity, and the combination of the disbandment of paramilitary structures and the absence of activity meant there had been a further deterioration in terrorist capability. PIRA had not engaged in acts of violence, and where individual members had done so it had been contrary to leadership instructions and usually connected with responding to perceived anti-social activity. PIRA as an organisation continued not to be involved in other forms of criminal activity, and although some members had engaged in it this again was contrary to instructions and there were signs that the level of involvement had declined. We did not think that PIRA was using criminal methods to raise funds.

2.14 We were therefore clear in our view that the organisation had eschewed violence, was committed to the political path and that the leadership was firm in its implementation of this strategy. We said that we had seen additional evidence of these developments during the three months under review and we referred in particular to the decision of the Ard Fheis on 28 January 2007 to support policing and the criminal justice system, which we described as a very major development. Our overall view accordingly remained very positive.

2.15 The conclusions we reached in our previous report still hold good. Taking the main issues in turn, as we did on that occasion, the position in the three months under review was as follows:

- *Terrorist Activity* – PIRA has not engaged either in acts of terrorism, such as attacks on the security forces, or in preparatory activities, such as recruitment, training, and weapons procurement and development. The terrorist capability of the organisation continued to deteriorate following the

disbandment of paramilitary structures to which we have referred in successive previous reports. There has been no reversal of that disbandment. As before, senior PIRA figures have clearly indicated it was not acceptable for members individually or collectively to acquire weapons;

- *Shootings and Assaults* - We do not believe that PIRA as an organisation or members acting individually have been responsible for paramilitary shootings or assaults. The use of violence is at variance with the organisation's strategy and where individuals sought approval to use violence to deal with people thought to be acting anti-socially, permission was refused. Senior figures have instead advocated lawful responses to such conduct;
- *Intelligence Gathering* - We continue to believe that PIRA did not gather intelligence for paramilitary or other illegal purposes. The movement gathered information relevant to the political process and received it unsolicited. The organisation had a continuing interest in members who were dissenting or who had recently left it, as it did in possible informers and in any threat from dissident republicans, and it continued to collect information in this area. There is no indication that it has been used for illegal purposes;
- *Sectarian Violence and Intimidation* – We do not believe that PIRA was involved in any sectarian activities. We believe there may have been isolated instances when members threatened the use of force, either against those believed to be acting anti-socially or in response to perceived insults or abuse, but we do not think that such conduct was sanctioned. The debate around policing and criminal justice over the turn of the year undoubtedly gave rise to some very strong expressions of conflicting opinion⁵ but we do not have evidence that this led to the issuing of specific threats;

⁵ See paragraph 2.16 immediately below.

- *Other Forms of Crime* - PIRA leaders remained clear in their view that members should not be involved in criminal activity, and senior figures have shown their displeasure when instances have come to their attention. Some members continued to be engaged in crime but the general level of involvement continued to decline. The main offences were those associated with defrauding the exchequer, such as tax fraud, smuggling and fuel laundering, and money laundering;

- *Exiling* – We are aware of no instances in which PIRA members have been involved in exiling people. There has been some debate about the issue of the return of those previously exiled, which has proved a difficult one for some members, but this has not led to any weakening of PIRA’s position that violence and threats are unacceptable. Some people whom PIRA had previously exiled have returned to Northern Ireland and it is the movement’s publicly expressed view that they should not be subject to sanctions;

- *Illegal Funds* – We remain unable to determine how the organisation is dealing with the question of previously illegally gained funds. However, the law enforcement agencies North and South continue actively to pursue such assets⁶.

2.16 We have noted in recent reports that there has been some disagreement within the republican movement about the policy which PIRA launched in its statement of 28 July 2005 and has followed since then. In the three months under review in this report there was widespread debate, mainly focused around the question of support for policing and the criminal justice system in the period leading up to the Sinn Féin Ard Fheis on 28 January 2007. It had also extended to the strategy as a whole and to the steps envisaged as a result of the St Andrews Agreement of October 2006. The leadership’s efforts at this time were largely devoted to guiding that debate. It was engaged in very extensive discussions and briefings, and was prepared to tackle

⁶ See Section 5 below, in which we discuss the recovery of criminal assets.

opposing opinion head on. A new group – initially known as the Republican Congress and later as Concerned Republicans - emerged seeking to offer a different strategy on these matters to that of PIRA and Sinn Féin. It held a number of sizeable public meetings.

2.17 The support of the membership of PIRA was an important factor in the outcome at the Sinn Féin Ard Fheis on 28 January. We see this as clear evidence of the commitment, efforts and clearly expressed decisions of the leadership of the movement as a whole to pursue the political path and of their effective management of the strategy. We believe that since the end of January there has been a significant decline in dissenting opinion: some have changed their minds, others have left the movement and Concerned Republicans appear to have lost their momentum, of which one sign was the poor performance of those who stood in the March Assembly election. We note too the commitment of PIRA's Easter statement to purely peaceful and democratic means and to the continuation of the moves towards devolution following what it described as "the breakthrough" on 26 March 2007. We do not see any threat to the leadership's strategy.

2.18 The decision to support policing and the criminal justice system by the Ard Fheis in January, which was taken immediately before we presented our previous report, is relevant in other ways. We note that there have been a number of instances since then involving both national figures and local communities in which republicans have extended co-operation to the PSNI. They participated in the Future of Policing Conference in Belfast in February 2007. We see this early practical implementation of the decision as further evidence of the movement's commitment to the political strategy.

Real Irish Republican Army (RIRA)

2.19 In our Thirteenth Report we noted that RIRA had continued to engage in the heightened level of activity to which we had referred three months earlier. It had targeted a number of incendiary devices against retail premises, was responsible for two bomb hoaxes and had undertaken a shooting. We described this as RIRA's highest level of sustained paramilitary activity since its incendiary campaign in the winter of 2004-05. The organisation also sought to sustain itself through recruitment, training, monitoring potential targets, illegally gathering intelligence and attempting to procure weapons and it aspired to undertake an attack in Great Britain. Members were engaged in criminal activity. Our overall assessment was that RIRA remained active and dangerous and that it sought to sustain itself as a terrorist organisation.

2.20 We believe that RIRA was responsible for the failed mortar attack on Craigavon PSNI station in December 2006. The organisation continued to monitor other PSNI stations, we believe with a view to possible attack. Members of the organisation, including senior ones, were engaged in serious crime, particularly smuggling, fuel laundering and robbery; we believe that most of the proceeds go to the individuals responsible but that some passes to the organisation. Like CIRA⁷ we believe that RIRA may have planned but did not execute other attacks. We believe that RIRA undertook recruiting and we think that elements in the organisation were keen to procure weapons.

2.21 Overall therefore RIRA has been less active in the three months under review than it was in the preceding three months, although its failed attack on Craigavon PSNI station could have been extremely serious. While we note that it may have imposed some restraint upon itself in the run up to the elections it continued steps to maintain and develop its paramilitary capability. Our assessment remains the same – that it is a dangerous organisation capable of extreme violence though there have recently been some notable successes against it by the police North and South.

⁷ See paragraph 2.6 above.

Ulster Defence Association (UDA)

2.22 In our Thirteenth Report we said that there had been some improvement. However, UDA members had been involved in a considerable number of acts of violence, including ones which were sectarian or directed against foreign nationals. This was despite briefing by senior UDA figures that attacks should not be undertaken. Members were heavily engaged in other forms of crime, including drug dealing, though again leading figures had continued their efforts to reduce the level of criminality in the organisation. We believed that some local units had recruited or aspired to acquire weapons, but we also noted that some senior figures had talked of plans to end recruitment and that there was no organisational strategy for the acquisition of weapons. We said that the UDA had decided against decommissioning. We referred to ways in which senior figures were continuing to steer the organisation towards involvement in community development, democratic politics and the avoidance of sectarian conflict and to the existence of a code of conduct for members. We believed that the impact of these measures had been greater in some places than others and in respect of some activities than others. We concluded overall that the UDA had moved a little way in a more positive direction but that the pace of movement had been too slow.

2.23 UDA members have continued to be involved in acts of violence in the three months under review, and at an increased rate, although the picture is not the same in all areas and the overall trend is clearly downwards. The UDA was responsible for a number of shooting incidents and for the bulk of the loyalist assaults to which we refer in Section 3 below⁸. We believe these incidents were largely as a result of friction within the organisation or as a response to perceived anti-social behaviour. We are not aware of any that were sectarian or inspired by racial hatred. The organisation has not been engaged in acts of terrorism, and although it continued to receive recruits we do not believe it was proactively seeking them. Individual members, as distinct from the

⁸ See paragraphs 3.5 – 3.9 and the associated tables and graphs below.

organisation, aspired to acquire weapons when the opportunity presented itself.

2.24 Members of the UDA continued to be engaged in serious crime, including drug dealing, extortion, the sale of contraband and counterfeit goods, and loan sharking. In the case of the sale of counterfeit and contraband goods, there were in our view indications of the engagement of some senior members in an organised way. There have however been some first indications that the level of drug dealing and extortion may be starting to decline in some places. One case of attempted extortion precipitated a petrol bomb attack against a public house in Carrickfergus. There have also been instances of intimidation. Some members have undertaken robberies, though we think without leadership sanction.

2.25 In organisational terms, the UDA continued to experience some turbulence, leading for example to the expulsion of some senior members shortly after the end of the period we are reviewing. South East Antrim has continued to diverge from the rest of the organisation. The position in North Belfast was more settled than it was in the autumn of 2006. The leadership of the UDA as a whole continued to brief members on the "Conflict Transformation Initiative" which is designed to promote community development. In South East Antrim the "Beyond Conflict" project has continued its development. The leadership continued efforts to reduce criminality within the organisation, including moving away from the drugs trade. There have also been attempts by the leadership to lessen the amount of extortion and loan sharking on the part of members, and senior UDA figures have taken steps to prevent attacks against foreign nationals. But efforts of this kind, while welcome, do not seem to us to amount to an effective strategy for dealing with criminality generally. Nor in our view does the leadership have any present intention of decommissioning weapons.

2.26 Overall therefore our assessment of the UDA remains broadly as it was three months ago. The organisation and its members are heavily engaged in violence and other crime, although not in terrorism. There have continued to be some welcome signs that the leadership wants to

move in a positive direction, but so far the impact of these aspirations has been limited and the pace has been slow. This may reflect a lack of a clear and unified strategic view and of either the capacity or the will to put a strategy into effect. But whatever the root cause, we believe that the UDA needs now to move faster and more vigorously, including on the question of decommissioning weapons⁹.

Ulster Volunteer Force (UVF) and Red Hand Commando (RHC)

2.27 In our Thirteenth Report we said that there had been less UVF violence in the three months then under review. However members had been involved in two assaults and in sectarian incidents and the intimidation of foreign nationals. They also continued to be involved in other forms of crime though we believed there were signs of some reduction in their level of drug dealing. The organisation had in our view decided against early decommissioning and we believed the leadership had sought to enhance its ability to gather intelligence on dissident republicans and other loyalist paramilitary organisations. There had however been leadership instructions to desist from crime and there were no sanctioned attempts to acquire or develop weapons, or plans to do so. There was considerable internal debate on restructuring, downsizing and re-orientating the organisation and we recognised that some in the leadership were trying to guide the UVF towards reducing criminality, engaging more positively in the development of communities and avoiding sectarian conflict. We concluded that the impact of these efforts remained mixed and limited and that the pace of movement had been slow.

2.28 We believe that the UVF has not engaged in terrorist activity in the three months under review. We attribute no paramilitary shootings to it but it was responsible for an increased number of assaults as compared with the previous three months (though the overall trend is downwards). These have all been within the greater Belfast area and we believe they were mainly undertaken to maintain internal discipline or to deal with perceived anti-social behaviour; we have no evidence that any were

⁹ We discuss leadership more fully in Section 4 below.

sectarian. The UVF has not undertaken any robberies and has not made any attempt to procure weapons, though individual members may have sought to acquire them without sanction from the leadership and on an opportunistic basis. Individual members were involved in serious crime, mainly for personal gain, including extortion and counterfeiting. There has however been further evidence of a reduction in the amount of drug dealing by members, in terms of both its scale and geographical spread.

2.29 We believe that it remains the wish of the leadership of the UVF to reduce the size of the organisation and to restructure it. Senior figures continued to brief and consult members about these issues. We believe however that the leadership may envisage the retention of some residual paramilitary capacity. They also gave instructions that criminal activity should cease. We believe that the organisation has addressed the issue of hate and racial crime and that this has had a positive impact on the involvement of members; any such attacks which have been planned have been without leadership sanction. Although the UVF is a more disciplined and cohesive organisation than the other main loyalist paramilitary group, overall these efforts have had a limited practical impact so far. Some individual units continued to recruit, sometimes we believe in order to maintain local control or to prevent people from joining rival organisations. The reduction in criminal activity by members to which we refer above has been welcome but limited, although we are aware that some members have been expelled because of their involvement in crime. The leadership has taken no steps to decommission weapons, and we believe there is some opposition to this within the organisation. We will deal in our next report with recent allegations of intelligence gathering activity.

2.30 Our overall view therefore remains broadly as it was three months ago. Looking at the full range of the organisation's activities and indicators of its behaviour, more things have moved in the right direction than have moved adversely or have stayed the same. We welcome such efforts as there have been to restrain illegal activity. We recognise too that the leadership is positively inclined towards taking the organisation in a different direction. But so far it has not managed to give effect to a

coherent strategy. We commented in our previous report that progress had been slow. As Northern Ireland moves into a new stage of political development the time has in our view clearly come for the leadership of the UVF to show courage and imagination and to grasp this nettle. If it does not do so soon, including on the question of decommissioning weapons, then talk of these intentions will become less and less credible¹⁰. As with the UDA, early substantial moves are now essential.

¹⁰ We discuss leadership more fully in Section 4 below.

3. PARAMILITARY GROUPS: THE INCIDENCE OF VIOLENCE AND EXILING

- 3.1 Article 4 requires us to monitor trends. We do not think that three months is a long enough period from which to draw useful conclusions and in our Thirteenth Report we gave only a brief summary of the changes in the incidence of violence over September to November 2006¹¹. In this section we look at the whole six months September 2006 to February 2007.
- 3.2 Once again we want to stress the unavoidable limitations of any statistical analysis of the incidence of paramilitary violence. Statistics cannot include those acts of violence which do not come to the notice of the police. Nor is it possible to quantify intimidation short of violence. And nothing we can say about the statistics can reflect the dreadful experiences of the victims and their families.
- 3.3 Over the period from 1 March 2003 to 28 February 2007 we believe that the number of *paramilitary murders* was as follows¹²:

¹¹ IMC Thirteenth Report, January 2007, Section 3.

¹² In successive earlier reports we have included extensive annotations to the following table, for example indicating why we had not included particular murders. We discontinued this practice in our Twelfth Report and we refer readers to those earlier reports for the full details. We think it would however be helpful to point out that in respect of the disappearance of Lisa Dorrian on 28 February 2005 and her murder, we had previously said we had no reason to believe her murder was carried out on behalf of a paramilitary group. We are now able to say more firmly, as has been stated publicly by PSNI, that we do not believe there was any paramilitary involvement in her murder.

	1 Sept 06 – 28 Feb 07	1 Mar - 31 Aug 06	1 Sept 05 – 28 Feb 06	1 Mar – 31 Aug 05	1 Sep 04 – 28 Feb 05	1 Mar – 31 Aug 04	1 Sept 03 – 29 Feb 04	1 Mar – 31 Aug 03
CIRA								
INLA								
LVF								1
PIRA								
RIRA								1
UDA			2	1	1		1	1
UVF				4		2	1	
Not attributable						1		2
TOTAL	0	0	2	5	1	3	2	5

3.4 Our Twelfth Report in October 2006 was the first occasion on which we were able to say that no sanctioned paramilitary murders had taken place in the six months under review. Nor were there any in the three months we covered in our Thirteenth Report, 1 September to 30 November 2006. None occurred in the following three months, so the whole six months to 28 February 2007 becomes the second such six month period which we can report was free of paramilitary murder. However, since the end of the period under review there were 2 paramilitary murders which we believe were the responsibility of CIRA. We will deal with them in our next report. As in recent reports, we are still unable to attribute responsibility for the murder of Denis Donaldson in County Donegal in April 2006.

3.5 The number of *casualties of paramilitary shootings and assaults* from 1 March 2003 to 28 February 2007 was as follows:

Shooting Casualties

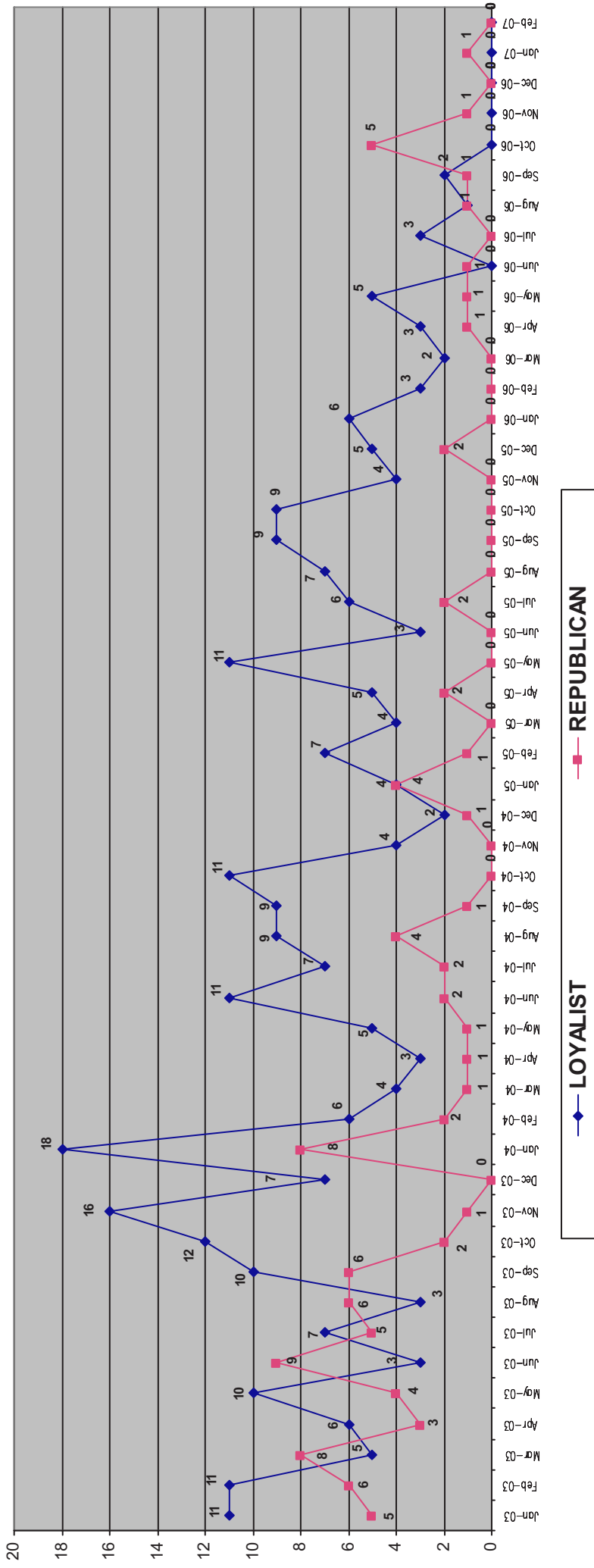
Responsible Group	1 Sept 06- 28 Feb 07	1 Mar – 31 Aug 06	1 Sept 05 - 28 Feb 06	1 Mar – 31 Aug 05	1 Sep 04 – 28 Feb 05	1 Mar – 31 Aug 04	1 Sept 03 – 29 Feb 04	1 Mar – 31 Aug 03
Loyalist	2	14	36	36	37	39	69	34
Republican	8	4	2	4	7	11	19	35
TOTAL	10	18	38	40	44	50	88	69

Assault Casualties

Responsible Group	1 Sept 06-28 Feb 07	1 Mar – 31 Aug 06	1 Sept 05 - 28 Feb 06	1 Mar – 31 Aug 05	1 Sep 04 – 28 Feb 05	1 Mar – 31 Aug 04	1 Sept 03 – 29 Feb 04	1 Mar – 31 Aug 03
Loyalist	13	19	20	39	29	42	57	46
Republican	5	9	6	16	25	18	26	24
TOTAL	18	28	26	55	54	60	83	70

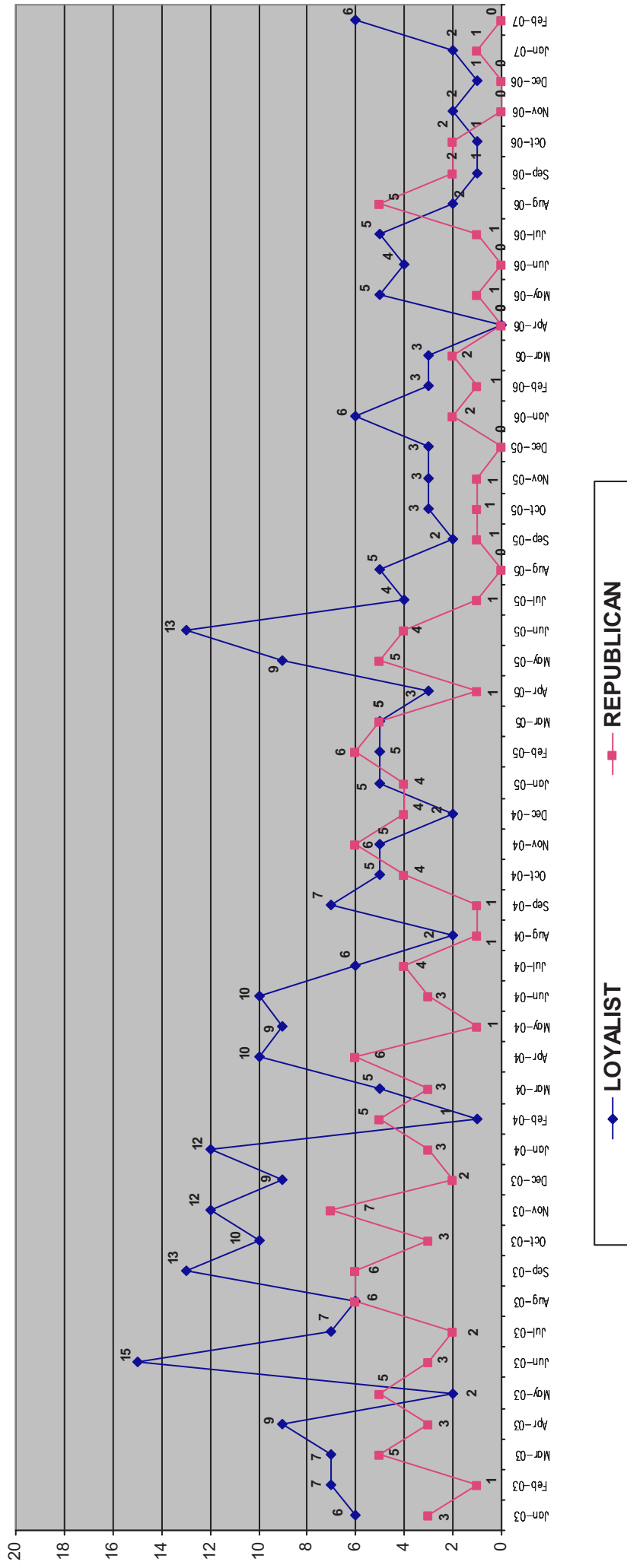
- 3.6 The sharp decline in the number of casualties of loyalist shootings has continued over the six months under review, with no shooting casualties since September 2006. This is by far the lowest level since the period 1 March to 31 August 2003, the first such we recorded. The number of casualties of republican shootings has doubled, from 4 to 8, though the overall trend remains downwards. None of the republican shootings were undertaken by PIRA.
- 3.7 The number of casualties of assaults is also at its lowest since the six months starting 1 March 2003. This is the case for the total (which is some two thirds of the six months ending 31 August 2006), for casualties of loyalists (also some two thirds of that period), and for those of republicans (just over half). PIRA was not responsible for any of these incidents.
- 3.8 The following graphs include the monthly figures we have previously published, extended by three months to 28 February 2007.

**PARAMILITARY-STYLE SHOOTINGS: NUMBER OF REPORTED CASUALTIES BETWEEN
JANUARY 2003 TO FEBRUARY 2007**



TOTALS OVER THE PERIOD: LOYALIST SHOOTING CASUALTIES - 289 REPUBLICAN SHOOTING CASUALTIES - 101

**PARAMILITARY-STYLE ASSAULTS : NUMBER OF REPORTED CASUALTIES BETWEEN
JANUARY 2003 TO FEBRUARY 2007**



TOTALS OVER THE PERIOD: LOYALIST PARAMILITARY-STYLE ASSAULTS – 278 REPUBLICAN PARAMILITARY-STYLE ASSAULTS - 133

Conclusions

3.9 The tables and graphs above show the striking fall in paramilitary violence since early 2003. Because the figures are now so much lower we think we should enter a note of caution about the interpretation of changes. When we started reporting there had been one six month period in which there had been nearly 90 casualties of shootings and over 80 of assaults. There were other six month periods with between 60 and 70 victims of both shootings and assaults. The number of casualties is now very much lower. Compared with those in the peak six months (1 September 2003 to 29 February 2004), the number of shooting casualties is now some 10% and the number of assault casualties some 20%. In several months on one side or other there have been no casualties at all. This means that relatively small changes in the figures may lead to fairly substantial percentage swings which, set against even fairly recent history, may suggest a degree of significant volatility in paramilitary activity which is not really the case. We hope that our conclusions on the six months under review, which we set out below, will be read with this point in mind.

3.10 For the reasons we mentioned in paragraph 3.1 above, we draw conclusions here on the whole six months 1 September 2006 to 28 February 2007. Our conclusions are:

- **There were no paramilitary murders;**
- **Overall, the number of casualties of both shootings and assaults for all groups combined has again fallen significantly. Compared with the preceding six month period it has fallen from 46 to 28 – 39%. Compared with the same six month period in 2005-06 it has fallen from 64 to 28 – 56%. As when we reported six months ago, the combined figure is by a long margin the lowest for any such period on which we have reported;**

- In the case of loyalist attacks, the combined total of shooting and assault casualties, at 15 was the lowest for any six month period since we started reporting. It compares with 33 in the preceding six months, the previous lowest (a reduction of 55%). It is a reduction of nearly 90% on the highest such period;
- The combined total of shooting and assault casualties of republican attacks was the same as in the preceding six months – 13 – but it is made up differently (8 of shooting and 5 of assault, as against 4 and 9 respectively). It remains the second lowest total for any six month period on which we have reported;
- Averaged out for all paramilitary groups, there was 1 victim of shooting about every 3 weeks and 1 of assault about every 1½ weeks;
- Loyalists caused 20% of the shooting casualties and 72% of those of assault in the period under review;
- Dissident Republicans caused 80% of the shooting casualties and 28% of those of assault in the period under review;
- PIRA was not responsible for any shootings or assaults;
- The changes may be summarised as follows:

Loyalist Groups

- Shooting casualties were down by 86% from 14 to 2 compared with the preceding six month period and down by 94% from 36 to 2 compared with the same six months in 2005-06;
- Assault casualties were down by 32% from 19 to 13 compared with the preceding six month period and down by 35% from 20 to 13 compared with the same period in 2005-06;

Republican Groups

- Shooting casualties were up by 100% from 4 to 8 compared with the preceding six month period and up by 300% from 2 to 8 compared with the same period in 2005-06;
- Assault casualties were down by 44% from 9 to 5 compared with the preceding six month period and down by 17% from 6 to 5 compared with the same period in 2005-06.

4. LEADERSHIP

- 4.1 Article 4 of the International Agreement requires us to assess whether the leadership of paramilitary groups is directing illegal activities or seeking to prevent them.
- 4.2 In our Fifth Report, two years ago, we set out standards which we believed should be observed by people in positions of leadership in political parties and groupings associated with paramilitary groups¹³. We have conducted all our subsequent assessments against those standards and we do so again here. The standards said that those in leadership should articulate their opposition to all forms of illegality, should exert their influence against members of paramilitary groups who had not given up crime, and should give clear support to the criminal justice system.
- 4.3 These standards are relevant to Sinn Féin in respect of PIRA, the Progressive Unionist Party (PUP) in respect of the UVF, and the Ulster Political Research Group (UPRG) in respect of the UDA.

Sinn Féin and PIRA

- 4.4 In our Thirteenth Report we outlined the developments which followed the speech of the President of Sinn Féin in April 2005, when we had said that if he was able to develop and deliver on the issues he had set out in it he would have demonstrated leadership of a high order¹⁴. We outlined the steps subsequently taken by Sinn Féin and PIRA to follow a political path, including particularly the PIRA statement of July 2005 and the decommissioning reported by the IICD in September of that year. We explained that in our view Sinn Féin had delivered on the intent set out in Mr Adams' speech and had shown clear leadership on ending criminality. We said that the decision of the Sinn Féin Ard Fheis in January 2007 to support policing and the criminal justice system was a major step forward and that it contained all the necessary elements of that support set out in the St Andrews Agreement of October 2006. We

¹³ IMC Fifth Report, May 2005, paragraphs 8.9-8.10.

¹⁴ IMC Fifth Report, May 2005, paragraph 8.13.

concluded that the leadership of Sinn Féin and the republican movement as a whole remained firm in its commitment to the political strategy and that it continued to give appropriate instructions to the membership of the movement.

- 4.5 Our view about the commitment of the leadership of Sinn Féin and of the republican movement as a whole to the political strategy is unchanged from the one we expressed three months ago, and is as strongly and as clearly held. The leadership has throughout continued to give appropriate instructions to members. As we said above¹⁵, we do not see any threat to this strategy from the level of dissenting opinion, which in any case has receded in the period since the Ard Fheis in January 2007. The leadership expended significant personal and political capital in the debate preceding the Ard Fheis. We see the combination of the effort made to secure the outcome in the Ard Fheis, and the clear support for the political strategy which that outcome exemplified, as strong further evidence of the depth of this commitment, at leadership level and throughout the movement.

The PUP and the UVF

- 4.6 In our Thirteenth Report we examined whether senior people in and associated with the UVF were continuing to take the steps we had previously noted to guide the organisation away from crime. We concluded that the PUP and some others associated with the UVF were committed to leading change in this direction. We referred to the code of conduct for members, to the leadership briefing members about the need to downsize the organisation, and to the development of strategic thinking about future restructuring and reform. But we also said that there had been no sign of the pace of change increasing during the three months we were then reviewing. We concluded that to maintain the credibility of the process of change these positive developments would need to start moving more speedily and visibly.

¹⁵ See paragraph 2.17.

- 4.7 There has been a recent change in the leadership of the PUP. We are entirely confident that the PUP is committed to the democratic process and to the representation of its electorate as well as to playing a full and constructive part in helping guide the UVF away from crime and towards activities which benefit local communities. We do not doubt that there are senior people in the UVF who would like to make positive changes of this kind. Some steps have been taken. Instructions on these lines have been given and they have had some modest effect. We welcome the fact that the issue of hate crime appears to have been addressed.
- 4.8 All this is positive, and a sign of intent. However, the political process in Northern Ireland has entered a new stage. It is now necessary to move beyond intentions and words to action which is overt and has an identifiable practical impact on the ground. We are aware that there are members who are not yet ready to accept these changes. Since the developments in republicanism, the political alibi loyalist paramilitaries claimed has gone, and they cannot make any argument for paramilitary activity and the retention of weapons. Unless the leadership can deliver results in the very near future we will be forced to the conclusion that they are either unwilling or unable to bring about real change.

The UPRG and the UDA

- 4.9 In our previous report we found that some leading members continued to seek to steer the UDA away from criminality and that the UPRG had pursued its initiatives in support of community development. We referred to a number of indications of useful steps, such as moves to stop the use of military-style dress and the expulsion of some who had been involved in unacceptable conduct. We noted how leading figures recognised that criminality had to be reduced. We concluded that the pace of these developments was steady rather than urgent, that there was still a long way to go, and said that if the work on conflict transformation was to remain credible the pace needed to quicken or the momentum would be lost.
- 4.10 We do not doubt the good intentions of a number of senior figures in both the UPRG and UDA. We welcome the Conflict Transformation

Initiative (CTI) and the recognition it embodies that only by moving away from crime and engaging openly in civil society can the communities in which the UDA has its roots benefit fully from the economic and social opportunities available to them. We think the leaders of the CTI have shown courage and determination. We also welcome those steps which have been taken to discourage crime on the part of UDA members. But moves of this kind, helpful though they are, would represent only modest first steps in any circumstances.

4.11 A separate but analogous development in the South East Antrim UDA is the Beyond Conflict project, which identifies itself as wanting to move on a relatively short timescale to address paramilitary structures, weapons and criminal activity. Clearly the replacement of these elements with law abiding welfare and community development orientated networks would be a very welcome move forward.

4.12 In the new situation in Northern Ireland, with the impending establishment of a devolved Executive and restoration of the Assembly, and with the fundamental changes PIRA has made in the past two years, it is essential to move much further, and to do so with urgency. Loyalist paramilitaries - and this applies as much to the UVF as to the UDA – cannot argue that they are acting in defence of their own communities. Still less can they say that it is on behalf of those communities that they extort money from local businesses, drive away investment, poison young people with drugs and intimidate citizens. If their leaderships do not demonstrate that they are capable of implementing fundamental change very quickly it will show that their organisations are no more than ill-controlled and violent criminal gangs, which should expect to be treated as such.

5. THE RECOVERY OF CRIMINAL ASSETS

- 5.1 In previous reports we have commented on assets recovery and on the role it is able to play in combating paramilitary activity. We have referred in some detail to the Assets Recovery Agency (ARA) and the Criminal Assets Bureau (CAB). We have drawn attention to the importance of all law enforcement agencies maximising the benefits of assets recovery in combating paramilitary groups; to the value of North-South co-operation between ARA and CAB; and to the need to ensure that ARA is properly resourced for its work in Northern Ireland, including against paramilitaries¹⁶.
- 5.2 Two issues have recently arisen which prompt us to return to this subject now: the position of ARA and the exchange of information between the UK and Ireland.
- 5.3 On the first, the British Government recently announced that ARA would become part of the Serious and Organised Crime Agency (SOCA) and legislation to give effect to this decision is presently before Parliament. We welcome the assurances of the Home Secretary that under the new arrangements there will be no diminution of assets recovery work in Northern Ireland and the recognition that local priorities in Northern Ireland, which will not always match those in England and Wales, will continue to be taken into account. There will be provisions in the new arrangements to ensure close consultation with the authorities in Northern Ireland, including the Organised Crime Task Force. We also understand that it is the intention to keep an office in Belfast. It is important that its primary focus remains on assets recovery in Northern Ireland.
- 5.4 The second issue arises because of the terms of the legislation whereby the two separate British departments for customs and revenue were combined in 2005 to create HM Revenue and Customs. A result is that staff in the new department are no longer legally able to share

¹⁶ We first focused on assets recovery in our Third Report, November 2004, paragraphs 5.16-5.17. We subsequently addressed the subject in our Fifth Report, May 2005, paragraph 6.19; and in our Tenth Report, April 2006, paragraphs 4.7-4.9.

information in respect of civil cases with authorities in other jurisdictions, including those in Ireland, as were those in HM Customs before the amalgamation. This does not affect other law enforcement agencies such as the police, but customs officials are key players in the fight to deprive criminals of the assets they have illegally acquired. The sharing of information is the life blood of international co-operation and it is vital that it can flow freely. We understand that the British Government intends to rectify this situation and has identified a suitable legislative vehicle to confer on the new department powers previously available to HM Customs. However it is likely to be in excess of twelve months before the relevant legislation takes effect though we understand that efforts are being made to look at alternative measures to resolve this problem. We think that the nature of this difficulty is such that it needs to be resolved sooner.

- 5.5 From our perspective as the body charged with the responsibility of monitoring the continuing activities of all paramilitary groups, we attach as much importance as we did before to effective assets recovery work. We see it as a key part of the law enforcement activity both against the groups themselves and against former members of the groups who may still be engaged in serious crime. It is also important to remember that illicitly obtained funds remain illegal and subject to seizure, even if they have been "laundered".
- 5.6 The existence of the border also creates a unique situation in these islands, both in terms of opportunities for criminals and so far as the importance of international cooperation is concerned. It is essential in our view that the paramilitary dimension of the work is not lost from view and that the assurances which have been given should continue to have full effect in the long term. And we think it is vital that the full extent of the previous capacity to exchange information between the British and Irish authorities is restored as soon as possible. We imagine that the restored Assembly will wish to pay close attention to both these matters. We recognise also that once policing and justice are devolved to the Northern Ireland Executive and Assembly it will be for them to consider whether the new arrangements are sufficient to meet the needs or whether a Northern Ireland criminal assets bureau might be required.

ANNEX I

INTERNATIONAL AGREEMENT BETWEEN THE GOVERNMENT OF THE UK AND THE GOVERNMENT OF IRELAND – ARTICLES 4 AND 7

Article 4

In relation to the remaining threat from paramilitary groups, the Commission shall:

(a) monitor any continuing activity by paramilitary groups including:

- i. attacks on the security forces, murders, sectarian attacks, involvement in riots, and other criminal offences;
- ii. training, targeting, intelligence gathering, acquisition or development of arms or weapons and other preparations for terrorist campaigns;
- iii. punishment beatings and attacks and exiling;

(b) assess:

- i. whether the leaderships of such organisations are directing such incidents or seeking to prevent them; and
- ii. trends in security incidents.

(c) report its findings in respect of paragraphs (a) and (b) of this Article to the two Governments at six-monthly intervals; and, at the joint request of the two Governments, or if the Commission sees fit to do so, produce further reports on paramilitary activity on an ad hoc basis.

Article 7

When reporting under Articles 4 and 6 of this Agreement, the Commission, or in the case of Article 6(2), the relevant members thereof shall recommend any remedial action considered necessary. The Commission may also recommend what measures, if any, it considers might appropriately be taken by the Northern Ireland Assembly, such measures being limited to those which the Northern Ireland Assembly has power to take under relevant United Kingdom law.

ANNEX II

THE IMC'S GUIDING PRINCIPLES

These guiding principles were set out in the statement the IMC issued on 9 March 2004.

- The rule of law is fundamental in a democratic society.
- We understand that there are some strongly held views about certain aspects of the legal framework, for example the special provisions applying to terrorism, and that those holding these views will continue to seek changes. But obedience to the law is incumbent on every citizen.
- The law can be legitimately enforced only by duly appointed and accountable law enforcement officers or institutions. Any other forcible imposition of standards is unlawful and undemocratic.
- Violence and the threat of violence can have no part in democratic politics. A society in which they play some role in political or governmental affairs cannot – in the words of Article 3 – be considered either peaceful or stable.
- Political parties in a democratic and peaceful society, and all those working in them, must not in any way benefit from, or be associated with, illegal activity of any kind, whether involving violence or the threat of it, or crime of any kind, or the proceeds of crime. It is incumbent on all those engaged in democratic politics to ensure that their activities are untainted in any of these ways.
- It is not acceptable for any political party, and in particular for the leadership, to express commitment to democratic politics and the rule of law if they do not live up to those statements and do all in their power to ensure that those they are in a position to influence do the same.

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