

Bulgaria Acquired \$3.6 Billion in Bitcoin After Organized Crime Bust

written by GEG | December 14, 2017



Bulgaria acquired 213,519 Bitcoin after an organized crime ring was busted for placing a virus into computers at the Customs office that allowed members of the ring to avoid import taxes on their cargo. The group converted its gains to Bitcoin, which now is valued at more than \$15,000 per coin, for a total of \$3.6 billion. If Bulgaria sells its stash of the seized cryptocurrency, it will be able to pay off almost 20% of its national debt. [We do not expect that to happen, however, because government leaders seldom are concerned about debt. They likely will spend the money on vote-buying schemes or simply will steal it for themselves.] It is not clear from this article how the government was able to confiscate the Bitcoin inasmuch as cryptocurrencies are supposed to be secure against theft or government seizure. If anyone can tell us how this was accomplished, we will share it with our readers.] -GEG

Bulgaria's GDP is about \$52.4 billion (2016), so it is quite a shock that the Bulgarian Government is sitting on an approximate \$3 billion worth of Bitcoins seized in an anti-corruption operation back in May.

Bulgarian law enforcement jointly worked with the Southeast European Law Enforcement Center (SELC), a regional organization comprised of 12 member states, to bust a sophisticated organized-crime network, arresting twenty-three Bulgarian nationals and seizing a total of 213,519 bitcoins.

SELC described the organized-crime scheme as the hacking of Bulgarian Custom's computers and allowing those associated with the group to skip fees for importing goods into the country. To make it work, the group recruited corrupt Customs officers to upload a virus into government machines, so that hackers could establish remote access.

The organized criminal group consisted in Bulgarian nationals having connections in The former Yugoslav Republic of Macedonia, Hellenic Republic, Romania and Republic of Serbia. The modus operandi used was recruiting corrupted Customs officers in all involved countries with the purpose to infiltrate a virus in the Customs' computerized systems. Once the virus installed, from distance, the offenders were able to finalize various transports, as in the Customs' system appeared that the cargo was already checked and passed.

Further, SELC provided details of how the operation was conducted, involving a large-scale search of “more than 100 addresses, suspects, and vehicles.” Out of the 23 suspects arrested, 5 of them were Bulgarian Customs officers. Police seized “equipment, devices for communication, computers, tablets, and bank documents.”

Bulgarian authorities have searched more than 100 addresses, suspects and vehicles. A large quantity of money was seized, as well as equipment, devices for communication, computers, tablets, bank documents, etc. 23 suspects were arrested, 5 of them acting as Bulgarian Customs officers. As result of this criminal activity the damages recorded by the Customs Agency, only for year 2015, is around 10 million Leva.

Here is where things get interesting... Police also seized 213,519 bitcoins, at the time, worth \$500 million. As of writing this article, the amount seized, is now worth approximately 3,676,583,661, according to [CoinDesk](#).

As well, up to now were found in the virtual space bitcoin wallets of the main suspects with a total value of 213,519 bitcoins. As a reference, the value of one bitcoin is rating to 2354 USD. The offenders choose the bitcoin way of investing/saving the money, because it is rather difficult to be tracked and followed.

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