

# Illicit Trade Report

2013



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# FOREWORD

The 2013 edition of the WCO Illicit Trade Report continues a new paradigm set last year, where the results of the work undertaken by the global Customs community to fight cross-border crime are being released to the general public.

The toxic and corrosive nature of illicit trade and organized transnational crime harms economic growth and job creation, challenges the rule of law, robs governments of needed revenue and threatens human rights and quality of life, and thus requires a strong, internationally coordinated response.

This Report focuses on five major areas addressed by Customs enforcement on a daily basis: environmental crime and illegal trade in natural resources; intellectual property infringements and trade in substances that pose a threat to public health and safety; smuggling and counterfeiting of excisable goods, such as tobacco and alcohol, as well as illicit financial flows; trade in illegal drugs; and illegal trade in dangerous and prohibited goods.

The Report Sections address these areas using a common methodology: Customs seizures recorded in the WCO Customs Enforcement Network are analysed to develop trends and patterns concerning the aforementioned areas of enforcement. The Report also contains information on the results of international enforcement programmes, projects and operations conducted in 2013 that were organized and coordinated by the WCO, its international partners and its Member administrations in the five enforcement areas covered in the Report.

We are particularly pleased to note that in 2013 more WCO Members reported their seizures to the CEN than in 2012. While much work still needs to be done, this is an important step towards



shedding more light on the parallel and underground economy, and it serves as tangible proof of the commitment of the global enforcement community to address these challenges.

Knowing the importance of high-quality information for policymakers, the WCO will continue working with its Members to improve the quality of seizure data, and increase its input into CEN. More complete information will allow the WCO and the Regional Intelligence Liaison Offices to provide a better service to the global Customs community.

This Report will contribute to the WCO's growing pool of knowledge that will support analysis of, and actions against illicit trade. Given that the current year has been designated as the WCO Year of Communication, we are delighted to be able to share with you the valuable information contained in this Report.

A handwritten signature in black ink, reading "Kunio Mikuriya". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

**Kunio Mikuriya, Secretary General**  
World Customs Organization

# INTRODUCTION

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## General overview of the Report

This Report, issued on an annual basis, serves as a collective effort to represent the current situation around five key risk areas for Customs enforcement, namely, drugs enforcement, environment, health and safety/IPR, security and revenue assurance. The objective of this publication is to raise awareness on the critical areas of Customs enforcement and to contribute to the pool of information for studying the phenomenon of illegal trade. Below are the five areas that are addressed by this Report in the subsequent Sections:

- Drug trafficking is the global illicit trade covering the cultivation, manufacturing, distribution and sale of substances which are subject to drug prohibition laws.
  - Environment risks in the Customs context relate to the cross-border trafficking of endangered species, hazardous and toxic waste, and ozone-depleting substances, and trading in indigenous or protected timber, etc. These phenomena threaten sustainable development and ecological balance.
  - IPR and health and safety risks in the Customs context relate to interdicting fake or counterfeit pharmaceuticals, other counterfeit and pirated goods, substandard items (such as electrical components and vehicle and aircraft spare parts) and tainted foodstuffs etc.
  - Revenue risks include commercial fraud activities such as undervaluation, misuse of origin and preferential duties, misclassification and drawback fraud. They also include revenue leakage through the smuggling of highly taxed goods such as tobacco, alcohol and motor spirits. This Report focuses on the analysis of alcohol and tobacco smuggling, as well as tobacco products, 'illicit whites' and counterfeit tobacco products and cigarettes.
- Security risks in the Customs context often focus on phenomena such as terrorism, proliferation of weapons and materials of mass destruction, trafficking of small arms and explosives and the diversion of dual-use goods. This Report includes data on Customs seizures in this area.

The analysis contained in this Report is based on the data from the Customs Enforcement Network (CEN), which is a database of Customs seizures and offences worldwide. Seizure data contained in CEN and used in the Report has been entered and validated by the WCO Members and the Regional Intelligence Liaison Offices (RILOs). Reported seizures include only those made by Customs, joint Customs and Police Units and other law enforcement agencies that have Customs powers.

CEN is a 'living' database, as data is constantly being updated. Therefore, figures in the current edition of the Report may differ from those taken into account in the previous reports, and are subject to checking and constant review. The 2013 Report includes analysis of data provided by Member administrations and RILOs for the period of January to the end of December 2013. Where countries have submitted their seizure data for 2013 later than the end of February 2014, it could not be taken into account in the current Report.

Since data submission is a voluntary process, there are certain limitations that need to be taken into consideration when performing the analysis: exceptionally large seizures may have a high impact on trends and patterns; some countries provide partial data or do not report seizures on particular commodities. As the level of analysis is critically dependent on the quantity and quality of submitted data, the figures in this Report cannot suggest a complete picture on seizures at the global level. Moreover, as enforcement powers often lie within the remit of two or three different governmental agencies, the analysis produced from data reported by the Customs community may not represent a holistic view on global efforts to combat illegal trade, but rather its

part. Therefore, while data contained in the Report serves to assess patterns and flows of illegal trade, it should not be used as a definitive base to estimate the overall level of crime.

Recognising these limitations, the WCO is, nevertheless, continuously working with Members on improving data collection, its quality and information sharing. The WCO developed a special application, nCEN, which is currently being implemented in several countries. This tool is provided to countries that do not have their own national seizures database, with the aim of facilitating data collection and exchange.

The WCO believes that making this Report available to the public will raise awareness on the level and scope of Customs activities in the enforcement area, and will also encourage Customs authorities to share data on a regular basis in order to have a better understanding of the scope of the problem of illegal trade.

## RILO network - a vital resource to support global Customs intelligence

The exchange of intelligence at national, regional and international levels is a critical mechanism in order to render enforcement actions by Customs authorities more effective and to secure the optimum use of available resources. At the strategic level the WCO has incorporated the aim of intelligence exchange among all stakeholders, recognising the contribution this objective has in furthering the protection of society, public health and safety. Therefore, in 1987, the first RILO was established with the intent of creating a Global Intelligence Network.

Today the RILO network has grown to 11 offices providing effective coverage throughout all six WCO regions<sup>1</sup>. The RILO networks are located in the following territories: Eastern and Central Europe,

Western Europe, Commonwealth of Independent States (CIS), North Africa, Central Africa, West Africa, Eastern and Southern Africa, Middle East, Asia-Pacific, the Caribbean and South America.

Each RILO office covers a number of Member within the region concerned and is staffed by personnel from those affiliated Member states as well as the host administration where the regional office is housed. This principle of secondment of international staff within the RILO network is essential for the acceptance and operational continuity of the RILO within each region. These regional offices operate in the interest of their affiliated Members, represented by National Contact Points (NCPs), and as such, there is no hierarchy as each participating country is equally represented in relation to the common interests of all affiliated Members. In this regard, the independent nature of the RILO network enables accountability to the Head of RILO, with mutual representation through the WCO Secretariat ensuring appropriate consultation to the WCO Enforcement Committee and Council, to which the RILO network reports.

The unique nature of the RILO network offers an added layer of information exchange to the already existing intelligence exchange taking place between the Secretariat and Member administrations at the “strategic” or Director-General level. In similar fashion to the WCO Secretariat, the RILO network responds to the needs of its Members, albeit at the regional or tactical level. At this level, the RILO network also offers support to its Members by arranging the nominations of NCPs within their Members as well as organising annual regional meetings with all RILO NCPs within their jurisdiction.

At the operational level, the RILO network supports its Member Customs administrations by responding to requests for intelligence or operational support, designing and implementing target-orientated intelligence analysis projects and regional intelligence-led operations, facilitating mutual administrative

<sup>1</sup>Further information on WCO regions can be found here: < <http://www.wcoomd.org/en/about-us/wco-members/membership.aspx> >

assistance and promoting and maintaining regional co-operation with other law enforcement agencies and organizations in accordance with any rules or provisions established by the Enforcement Committee or the Council.

Today, under this structure, the RILO network remains an exclusive and unique Customs intelligence exchange entity, enabling Globally Networked Customs capability, connecting Customs to Customs throughout most of the WCO Members and likewise representing a key component of the WCO Global Information and Intelligence Strategy.

Among the tools provided by the WCO to the RILO network, as well as the greater WCO Member base, are the WCO Customs Enforcement Network (CEN) and the WCO closed user group secure platform, Customs Enforcement Network Communications (CENComm). The RILO network uses the CEN database to analyse seizures and develop regional intelligence products and is responsible for verifying the data quality of CEN submissions from their regional partners or NCPs.

This mechanism is split into three levels which operate interactively and in a complementary manner, namely:

- At national level, the Member administrations' NCPs gather information on seizures made from existing sources at national level, electronically input data into the CEN or transmit the data to RILOs by fax or post, analyse the information collected at national level to ascertain new trends, produce Alerts and transmit them to the RILOs for regional circulation, and co-operate nationally with the full gamut of enforcement agencies or services;
- At the regional level, the RILOs study and evaluate international seizures, verify the accuracy of the CEN data supplied by the NCPs, prepare and circulate Alerts and intelligence profiles, issue periodicals or ad hoc analysis bulletins, devise, organise and support regional intelligence-based operations, facilitate mutual assistance and co-operation with other enforcement services and provide technical or other assistance to NCPs;
- At the international level, the WCO Secretariat is responsible for the central management of the CEN by using, operating and maintaining the system as a

global information and intelligence tool for the RILO network it periodically conducts global strategic and tactical analyses based on information available in the CEN, circulates a summary of its analyses in its annual reports, offers training and technical assistance to the RILOs and their Members, and shares strategic information with other international organisations engaged in combating organised crime.

The RILO network is a premier user of the CENcomm platform. As a multi-regional Intelligence and Information exchange network, the RILOs are actively involved in several ongoing projects and operations organised by the Secretariat, WCO Members or individual RILO teams. By taking an active role throughout hundreds of operations over the years, the RILO network remains a steadfast WCO strategic intelligence capability in the global Customs goal of identifying, disrupting and dismantling trans-national criminal organizations.

## CEN - a unique toolkit to assist Customs in the fight against illegal trade

The WCO dedicated 2013 to the promotion of innovation, notably in the development of its tools and instruments. The CEN includes three standalone applications created especially for the Customs community, compatible and complimentary in nature, providing the latest technology as well as analytical abilities to successfully meet the challenges associated with the fight against illegal trade.



For Customs administrations having to perform selective and targeted controls, intelligence is a vital element of enforcement. Valuable from the first steps of the intelligence cycle, the CEN application allows all WCO Members to access a critical mass of information for analysis of illicit trafficking in the various areas of Customs' competence, which is crucial in terms of defining strategies, preparing risk indicators and identifying trends on a regional, as well as global level. This global intelligence can in turn be utilised for further profiling in local databases.

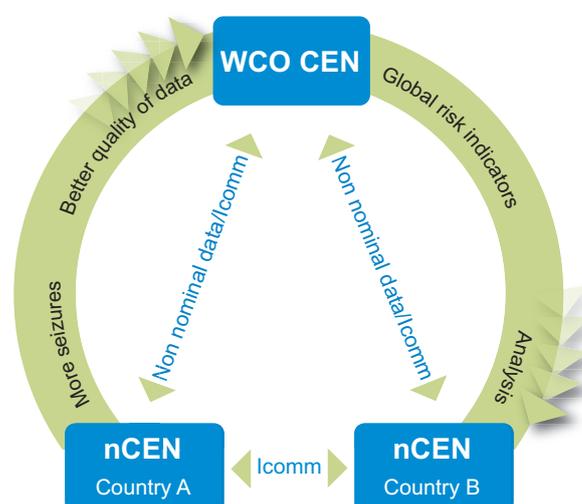
The success of the CEN rests squarely on its ability to function as a vital enforcement resource. This is only possible if WCO Members regularly provide valuable information relating to their seizures and any relevant pictures, as the quality of the final intelligence depends solely on the quality of the data provided. Amassing pertinent information which can be utilised for producing reliable intelligence will ultimately strengthen the network, making it an enviable Customs resource for all users.

Despite progress with the introduction of modern operational techniques, analytical use of available Customs data in most countries remains low, especially in enhancing risk management approaches. Some Customs administrations have attributed this to the minimal data-mining capabilities of existing applications. In response, the national Customs Enforcement Network (nCEN) application was created to give Customs administrations the ability to collect, store, analyse and disseminate law-enforcement data effectively at the national level in order to establish robust intelligence capabilities, and enhance profiling on a strategic, tactical and operational level – including risk mapping of commodities, routes and traders most prone to Customs tax evasion.

Although the primary goal of the nCEN is to function as a centralised database, the application assists in information sharing and thus in boosting cooperation between Customs administrations at a regional or international level. Additionally, the inbuilt Information Communication Interface (Icomm) allows for the transfer of data to the global CEN database, thus supporting the process of global intelligence gathering.

Information sharing is a fundamental part of the active collaboration to combat illegal trade. The CENcomm

platform, an operational tool created to enable the exchange and diffusion of information in a secure environment, especially in an operational context when time is of the essence, remains the most popular application in the CEN suite. Accessible to Customs officers as well as other law enforcement agencies, it allows members of a closed user group to exchange information in a standardised manner through the use of templates available in the system. One of the functionalities of the system allows for the extraction of pertinent data for analytical purposes and/or for the transfer of this data to the global CEN database, thus enhancing an active collaboration across the entire border sector.



As the WCO decides to promote communication amongst its Members in 2014, the information-sharing attributes of the CEN applications place them at the heart of this new campaign.

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Cocaine, weapons, ammunition and cash seized by French Customs

Photo courtesy of French Customs

# SECTION 1. DRUGS

*For the period covering 2012-2013, a total of 120 Members reported seizures in the WCO's CEN database, with the information relating to seizures aimed at combating trafficking in narcotics and psychotropic substances. This information was largely authenticated by the RILOs as well as by the WCO Secretariat's CEN Team as regards information received from Members not yet affiliated to a RILO. The CEN data received from these 120 Members served as the basis for carrying out the analysis contained in this Section.*

## INTRODUCTION

Compared with reference years of 2011-2012, the year of 2013 was marked by a slight increase in the number of countries that had supplied data to CEN database (114 in total).

Some countries which featured in the 2011-2012 statistics are no longer included in this analysis and, conversely, new countries have contributed and have been taken into consideration for the 2012-2013 reference period.

This situation can be explained in part by the late entry of data into the CEN by these countries, and in any event after the cut-off date for uploading data to conduct this analysis, set at 25 March 2013. Any information received after that date was not taken into consideration for this analysis.

As for the working method concerning the units taken into consideration, the same harmonisation approach for data analysis as last year was adopted. To that

end, all amounts of tablets were converted into kilograms (kg) by using the conversion rate of one gram for three tablets. The same applies to seizures reported in ampoules, capsules, units, etc. which have also been converted into kg.

With regard to thresholds, all seizures entered into the CEN database were taken into consideration without setting any threshold.

The analyses and trends emerging from this Report are only as credible as the information from which they have been drawn. It is therefore important to stress that considerable care is needed when reaching conclusions, given that exceptionally large seizures might boost the results of the analysis and that some Members have only provided partial data.

The 2013 Drugs Section is divided into two main parts. The first part gives an overview of the major drug types intercepted worldwide and the key trends noted by Members. The second part presents special items, with particular emphasis on initiatives, projects and operations initiated or co-ordinated by the WCO Secretariat in its Members' interest.

## GLOBAL OVERVIEW

**Table 1. Number of seizures by drug category**

| Category           | Number of seizures in 2012 | Number of seizures in 2013 |
|--------------------|----------------------------|----------------------------|
| Cannabis           | 16,902                     | 18,778                     |
| Khat               | 11,103                     | 15,253                     |
| Psychotropic drugs | 6,978                      | 8,991                      |
| Cocaine            | 6,244                      | 6,296                      |
| Opiates            | 2,324                      | 2,016                      |
| Other              | 220                        | 47                         |
| <b>Total</b>       | <b>43,771</b>              | <b>51,381</b>              |

The number of seizures relating to narcotics or psychotropic substances input into the CEN in 2013 involved a total of 51,381 cases and was consequently significantly higher than for 2012, when this total stood at 43,771 cases (see Table 1). This increase in the region of 17 per cent is indicative of the clear commitment by Customs services to combat drug trafficking more effectively, enhanced by a greater understanding of control techniques. In addition, the various projects and operations carried out during 2013 substantially boosted this figure due to the excellent results obtained.

However, this rise in seizures also reflects the reality of criminal organizations' commitment to pursue the production and trafficking of narcotics and psychotropic substances, for which the diversification of the delivery routes and the innovative products coming on the market are genuine causes for concern and require constant vigilance and adaptation by the inspection services.

An increase in seizures was particularly noted for cannabis, khat, psychotropic substances and cocaine, in varying proportions. The trend tended to be downward for opiates. In addition, new forms of drugs flooding the markets pose major problems of identification and interception for enforcement agencies, especially as they are primarily traded via the Internet and conveyed by postal or express mail services. The extremely different legal provisions from one country to another also make the task of the inspection services even more complicated.

Table 2. Total number of seizures by region

| Region                      | Number of seizures in 2012 | Number of seizures in 2013 |
|-----------------------------|----------------------------|----------------------------|
| North America               | 29,712                     | 35,943                     |
| Western Europe              | 7,968                      | 9,033                      |
| Asia-Pacific                | 2,372                      | 1,864                      |
| Middle East                 | 1,097                      | 1,625                      |
| CIS                         | 1,318                      | 1,258                      |
| South America               | 546                        | 809                        |
| Eastern and Central Europe  | 486                        | 477                        |
| West Africa                 | 142                        | 200                        |
| North Africa                | 87                         | 75                         |
| Eastern and Southern Africa | 20                         | 62                         |
| Central Africa              | 11                         | 28                         |
| Caribbean                   | -                          | 5                          |
| <b>Total</b>                | <b>43,771</b>              | <b>51,381</b>              |

As clearly shown in Table 2, when listing the total number of seizures by region, in comparison with 2012, 2013 saw a substantial increase in the number of interceptions input into the CEN by North America, Western Europe, the Middle East, South America, West Africa, Eastern and Southern Africa and Central Africa, when compared with 2012. In contrast, there was a sharp drop in the number of interceptions input into the CEN database by Asia-Pacific and Eastern and Central Europe.

A review of the data contained in Table 3 shows that the upward trend noted in the total number of seizures made worldwide was also reflected in the quantities intercepted. In fact, there was an increase from 2,222,929 kg reported in 2012 to 2,310,594 kg reported in 2013. This quantitative rise was slightly noticeable for cannabis, much more pronounced for khat and also greatly in evidence as regards opiates for which, paradoxically, the number of seizures fell over the same period. In contrast, there was a substantial decline in the quantities of cocaine seized, despite a sharp rise in terms of the number of seizures made. The results obtained for psychotropic substances mirrored the trend noted for cocaine.

The order of the means of transport used in 2012 was replicated in 2013, with a single difference (see Table 4). In this connection, the postal and express mail sector far outstripped all other means of transport (41 per cent of total seizures in 2012 and 45 per cent in

Table 3. Quantity seized by drug category

| Category           | Quantity (kg) in 2012 | Quantity (kg) in 2013 |
|--------------------|-----------------------|-----------------------|
| Cannabis           | 1,539,637             | 1,581,948             |
| Psychotropic drugs | 435,958               | 385,368               |
| Khat               | 115,511               | 168,867               |
| Opiates            | 9,484                 | 93,325                |
| Cocaine            | 119,253               | 80,996                |
| Other              | 3,086                 | 90                    |
| <b>Total</b>       | <b>2,222,929</b>      | <b>2,310,594</b>      |

2013). The use of this means of transport is a real cause for concern and merits closer scrutiny by the enforcement services given that it is most often linked to psychotropic substances, as clearly illustrated by the statistics based on the years 2012/2013. Indeed, 28 per cent of psychotropic substances are conveyed by this means of transport, followed by khat for which freight remained the predominant conveyance. Mail was also one of three conveyances in which all categories of drugs in circulation featured in 2013. It is worth mentioning that the "Unknown" and "Other" headings constituted very high percentages and limit the quality of this analysis.

Except for these cases for which there is no information on the means of transport used, transport by road vehicle, which follows postal traffic, remained the conveyance of choice for cannabis delivery.

Transport by air followed the first two conveyances mentioned, predominantly for cocaine. The use of air transport is due in part to the geographical location of the production zones for this category of drug.



Seizure of a large quantity of cocaine by Mexican Customs

Photos courtesy of Mexican Customs

**Table 4. Number of seizures by drug category and by means of transport**

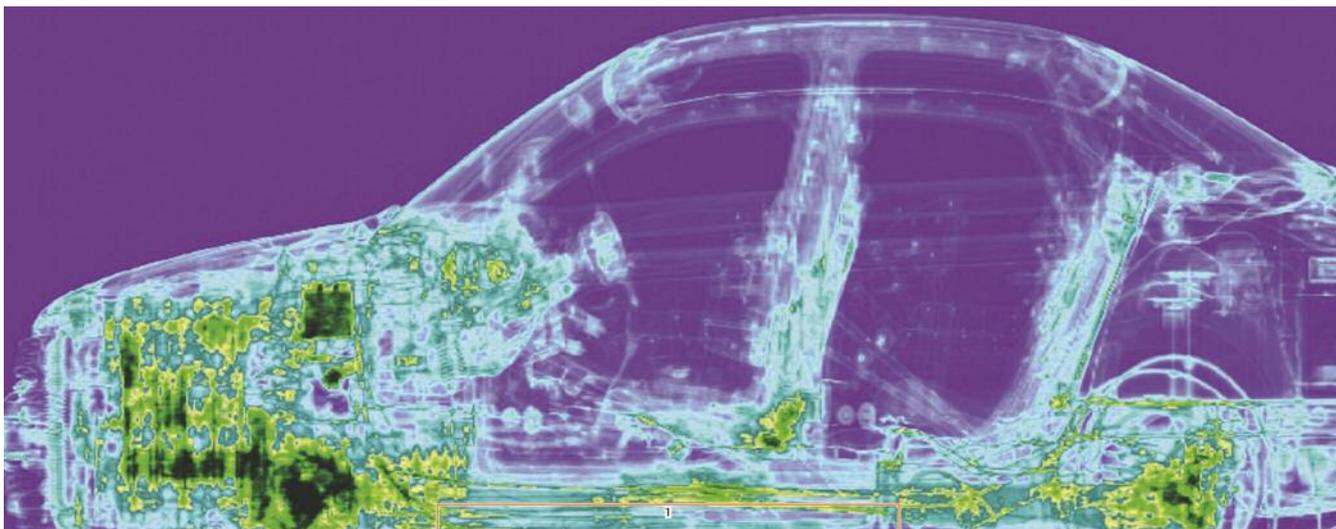
|              | 2012          |              |               |              |            |                    |               |
|--------------|---------------|--------------|---------------|--------------|------------|--------------------|---------------|
|              | Cannabis      | Cocaine      | Khat          | Opiates      | Other      | Psychotropic drugs | Total         |
| Mail         | 1,523         | 1,949        | 10,410        | 744          | 210        | 3,197              | 18,033        |
| Unknown      | 8,733         | 257          | 2             | 152          | -          | 386                | 9,530         |
| Vehicle      | 4,811         | 828          | 210           | 500          | 4          | 1,456              | 7,809         |
| Air          | 442           | 2,800        | 361           | 587          | 5          | 789                | 4,984         |
| Pedestrian   | 809           | 82           | -             | 244          | -          | 919                | 2,054         |
| Rail         | 335           | 75           | 72            | 62           | -          | 77                 | 621           |
| Vessel       | 124           | 238          | 4             | 25           | -          | 126                | 517           |
| Other        | 125           | 15           | 44            | 10           | 1          | 28                 | 223           |
| <b>Total</b> | <b>16,902</b> | <b>6,244</b> | <b>11,103</b> | <b>2,324</b> | <b>220</b> | <b>6,978</b>       | <b>43,771</b> |

|              | 2013          |              |               |              |           |                    |               |
|--------------|---------------|--------------|---------------|--------------|-----------|--------------------|---------------|
|              | Cannabis      | Cocaine      | Khat          | Opiates      | Other     | Psychotropic drugs | Total         |
| Mail         | 1,503         | 2,008        | 14,144        | 630          | 42        | 5,082              | 23,409        |
| Unknown      | 9,528         | 260          | 16            | 92           | -         | 328                | 10,224        |
| Vehicle      | 4,903         | 813          | 204           | 565          | 3         | 1,707              | 8,195         |
| Air          | 1,230         | 2,764        | 840           | 362          | -         | 844                | 6,040         |
| Pedestrian   | 883           | 44           | 9             | 295          | -         | 806                | 2,037         |
| Rail         | 418           | 73           | 15            | 50           | 2         | 84                 | 642           |
| Vessel       | 108           | 304          | 1             | 15           | -         | 91                 | 519           |
| Other        | 205           | 30           | 24            | 7            | -         | 49                 | 315           |
| <b>Total</b> | <b>18,778</b> | <b>6,296</b> | <b>15,253</b> | <b>2,016</b> | <b>47</b> | <b>8,991</b>       | <b>51,381</b> |

Transport by pedestrians was the last conveyance to have recorded in excess of 2 tonnes of narcotics and related more specifically to cannabis and psychotropic substances.

Finally, transport by rail and by vessel brought up the rear and related more specifically to cannabis (train) and cocaine (boat).

To conclude, bearing in mind certain criteria such as the relationship between the production and consumption zones, drugs are linked to means of transport primarily chosen and used in an attempt to circumvent the watchfulness of enforcement services. Knowledge of the transport sectors must nevertheless be correlated with other criteria to ensure that drugs are intercepted.



Seizure of 10 kg of heroin, concealed in a structure of a car, by Serbian Customs

Photo courtesy of Serbian Customs

## OVERVIEW BY CATEGORY

### Opiates

In 2013, approximately 75 Members entered data on opiate seizures into the CEN, i.e. 10 more countries than in 2012. Table 5 shows the number of seizures and quantities of products seized in the opiates category over the 2012/2013 period by region.

The year 2013 saw a substantial fall in the number of seizures involving opiates (14%). From a quantitative perspective, the huge increase noted in 2013 was entirely due to exceptional seizures of poppy straw made in Pakistan. The total amount of poppy straw seized from lorries intercepted within Pakistani territory in cities such as Karachi, Sukkur or Faisalabad was more than 80 tonnes.

As a result, the total quantity of traditional opiate products such as heroin, opium, morphine or codeine was approximately ten tonnes, similar to the quantity seized in 2012.

Having taken this fact into consideration, it would appear that in quantitative terms, the Eastern and Central Europe, the Middle East and the United States produced much higher figures than in 2013. In contrast, the figures for the Western Europe, the Commonwealth of Independent States (CIS) and the Eastern and Southern Africa were substantially lower for 2013.

Table 5. Number of seizures and quantity of opiates seized by region

| Region                      | 2012               |               | 2013               |               |
|-----------------------------|--------------------|---------------|--------------------|---------------|
|                             | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Asia-Pacific                | 383                | 1,148         | 254                | 84,729        |
| North America (USA)         | 984                | 3,290         | 943                | 4,966         |
| Eastern and Central Europe  | 81                 | 1046          | 55                 | 1,831         |
| Western Europe              | 503                | 1,562         | 412                | 1,238         |
| CIS                         | 279                | 2,075         | 290                | 335           |
| Middle East                 | 79                 | 78            | 43                 | 199           |
| Eastern and Southern Africa | 5                  | 223           | 13                 | 14            |
| Central Africa              | 3                  | 7             | 3                  | 8             |
| North Africa                | -                  | -             | 1                  | 3             |
| South America               | 2                  | 8             | 1                  | 1             |
| West Africa                 | 5                  | 48            | 1                  | 0             |
| <b>Total</b>                | <b>2,324</b>       | <b>9,484</b>  | <b>2,016</b>       | <b>93,325</b> |

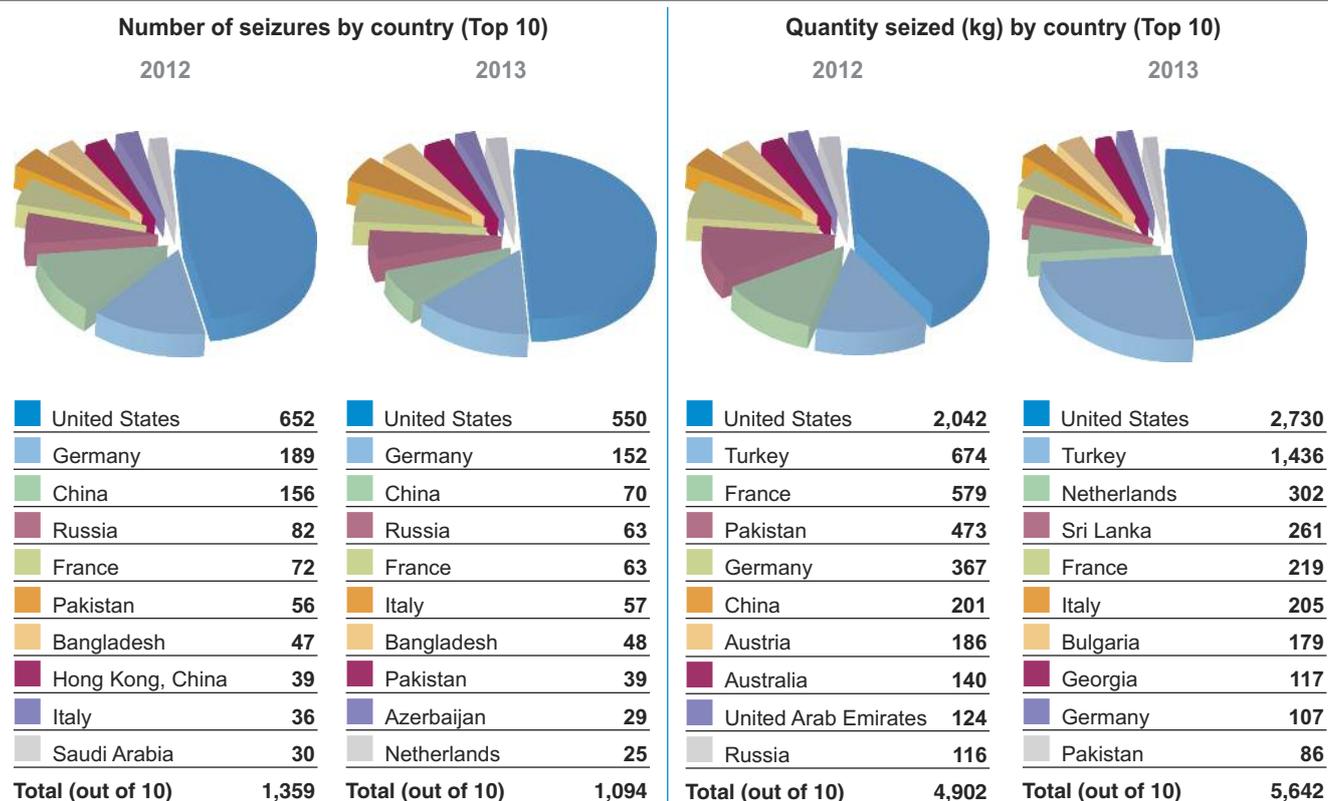
### Heroin seizures

The number of heroin seizures fell substantially in 2013, going from 1,696 cases reported in 2012 to only 1,316 cases reported in 2013.

In contrast, the quantity seized rose from 6,203 kg in 2012 to 6,423 kg in 2013, an increase of approximately 4 per cent.

It transpires from Chart 1, listing the top 10 countries having seized more than 100 kg of heroin in 2013, that the United States, with 550 interceptions totalling 2,730 kg, was well ahead of Turkey with four

**Chart 1. Top 10 reporting countries: number of seizures and quantities of heroin**



interceptions totalling 1,436 kg, the Netherlands with 25 interceptions totalling 302 kg and Sri Lanka which featured for the first time in the listings with an interception amounting to 261 kg of heroin.

France, Germany and Pakistan were among the countries having already excelled with seizures in excess of 100 kg in 2012, whereas Italy, Bulgaria and Georgia featured in 2013 despite not being included in the 2012 listings.

As for the number of seizures made in 2013, the majority of heroin consignments were transported overland (33%), followed by air (passengers and air freight - 24%), and post and express mail (20%).

With regard to the place of consignment and/or origin of the heroin seized in 2013, Turkey (32 seizures totalling 1,650 kg), followed by Mexico (324 seizures totalling 1,638 kg), Pakistan (71 seizures totalling 671 kg), India (184 seizures totalling 185 kg), Iran (30 seizures totalling 155 kg), the Netherlands (67 seizures totalling 151 kg) and Greece (7 seizures totalling 113 kg), appeared in the routings as departure countries.



Seizure of 104 kg of heroin in a car, by Latvian Customs

Photos courtesy of Latvian Customs



15 kg of opium seized by Tajikistan Customs, from a passenger travelling from Afghanistan



Photos courtesy of the Russian Federation and Tajikistan Customs

## Opium seizures

Opium, the second typical component in the opiates category, featured 298 times in the CEN database in 2013, compared with 277 seizures reported in 2012.

In contrast, the quantities intercepted were down sharply in 2013 (1,726 kg) as against the 4,576 kg of products seized in 2012.

As was already the case over the three preceding years, approximately 70 per cent of the total quantities of opium seized throughout the world were reported by the United States.

Three other countries made opium seizures amounting to an overall quantity in excess of 80 kg in 2013, those being Germany with 25 seizures totalling 266 kg, Pakistan with seven seizures totalling 84 kg and Georgia with one seizure totalling 80 kg of opium.

Approximately 70 per cent of seizures (mainly those made in the United States), relating to around 40 per cent of the quantities intercepted, were made in the postal and express mail sector.

Some 10 per cent of seizures (mainly those made in Europe), relating to 25 per cent of the quantities intercepted, were made in road transport.

In terms of the place of consignment and/or origin of the opium seized in 2013, the United Kingdom (61 seizures; 142 kg), followed by the Lao People's Democratic Republic (58 seizures; 171 kg), Iran (47 seizures; 30 kg), Thailand (35 seizures; 105 kg), India

(19 seizures; 26 kg), China (11 seizures; 43 kg), Turkey (10 seizures; 250 kg), Pakistan (eight seizures; 88 kg), the Netherlands (three seizures; 690 kg) and Azerbaijan (two seizures; 80 kg), appeared in the routings as departure countries for the opium shipments intercepted.

## Cocaine

An analysis of the Table 6 showing worldwide cocaine seizures reveals that the number of seizures remained relatively stable between 2012 and 2013.

**Table 6. Number of seizures and quantity of cocaine seized by region**

| Region                      | 2012               |                | 2013               |               |
|-----------------------------|--------------------|----------------|--------------------|---------------|
|                             | Number of seizures | Quantity (kg)  | Number of seizures | Quantity (kg) |
| Western Europe              | 3,437              | 19,441         | 3,461              | 34,606        |
| North America               | 2,134              | 26,739         | 1,979              | 24,215        |
| South America               | 410                | 71,303         | 578                | 20,493        |
| Asia-Pacific                | 152                | 1,170          | 89                 | 1,014         |
| CIS                         | 26                 | 36             | 21                 | 166           |
| West Africa                 | 24                 | 120            | 34                 | 145           |
| Caribbean                   |                    |                | 5                  | 132           |
| Middle East                 | 15                 | 144            | 35                 | 64            |
| Eastern and Southern Africa | 6                  | 11             | 33                 | 61            |
| Eastern and Central Europe  | 33                 | 264            | 39                 | 57            |
| Central Africa              | 6                  | 22             | 19                 | 33            |
| North Africa                | 1                  | 3              | 1                  | 1             |
| <b>Total</b>                | <b>6,244</b>       | <b>119,253</b> | <b>6,296</b>       | <b>80,996</b> |



Panama Customs seized 200 kg of cocaine in Balboa, concealed in the false bottom of a shipping container

Photos courtesy of Panama Customs



However, as regards the quantities of cocaine intercepted, 2013 saw a substantial fall of 30 per cent in comparison with 2012.

Although there was relative stability when comparing the two reference years for North America (24 tonnes against 26 tonnes in 2012) and Asia-Pacific (approximately one tonne for each of the two years), a very sharp increase was nevertheless noted in the quantities intercepted by the countries of Western Europe (34 tonnes in 2013, as against 19 tonnes in 2012). An extremely significant fall in the quantities seized in South America was also noted (20 tonnes in 2013 against more than 71 tonnes in 2012), influenced by some exceptional seizures made by the Container Control Programme Joint Port Control Units in 2012.

Besides these four regions which together accounted for 99 per cent of the total quantity of cocaine seized worldwide, it is worth stressing there were increases in the quantities of cocaine intercepted by the CIS, West Africa, Eastern and Southern Africa and Central Africa.

It goes without saying that the two main markets for cocaine consumption (final destination of the seizures) were, as has been the case for some years now, Western Europe and North America (approximately 80 per cent of the quantities intercepted).

Regarding the means of transport used for cocaine trafficking with respect to the number of seizures noted, air transport and the postal and express mail sector accounted for 75 per cent of the total interventions in both 2012 and 2013, followed by road transport and sea transport which together accounted for 18 per cent of the total interventions, with other means of transport only featuring to a small extent (see Table 7).

**Table 7. Number of seizures and quantity of cocaine by means of transport**

| Region       | 2012               |                | 2013               |               |
|--------------|--------------------|----------------|--------------------|---------------|
|              | Number of seizures | Quantity (kg)  | Number of seizures | Quantity (kg) |
| Vessel       | 238                | 62,268         | 304                | 53,587        |
| Vehicle      | 828                | 24,008         | 813                | 11,001        |
| Air          | 2,800              | 19,264         | 2,764              | 6,206         |
| Unknown      | 257                | 5,121          | 260                | 3,790         |
| Other        | 15                 | 2,511          | 30                 | 3,330         |
| Mail         | 1,949              | 5,847          | 2,008              | 2,978         |
| Rail         | 75                 | 48             | 73                 | 57            |
| Pedestrian   | 82                 | 185            | 44                 | 46            |
| <b>Total</b> | <b>6,244</b>       | <b>119,253</b> | <b>6,296</b>       | <b>80,996</b> |

The figures were completely different in quantitative terms, with vessels remaining the most widely used means of transport for cocaine trafficking. Although consignments transported by sea accounted for just 5 per cent of the seizures made in 2013, they nevertheless constituted in excess of 66 per cent of the total quantity of products intercepted worldwide. Transport by sea obviously encompasses commercial vessels, fishing boats, yachts and shipping containers. The concealment methods used are often sophisticated (specially contrived hiding places on boats, false bottoms of containers, fruits or vegetables hollowed out and repackaged, etc.), with the value of cocaine seizures in this sector often amounting to tens of millions of euro per shipment.

Road transport also remains a "safe bet" for transporting cocaine. Although the number of seizures made in this sector remained relatively stable in 2012 and 2013, the amounts seized fell in 2013, decreasing from 24 tonnes (2012) to a mere 11 tonnes.





60 kg of cocaine were discovered inside a passenger's baggage at Hong Kong International Airport (itinerary: Brazil -China - Hong Kong, China)

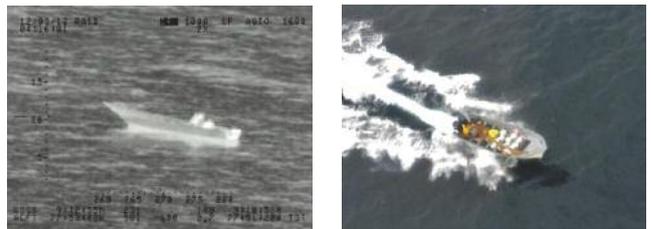


Photos courtesy of Hong Kong Customs

intercepted. However, Mexico continued to be the main country of consignment for cocaine intercepted in the United States.

Spain and the Netherlands excelled in 2013 by reporting quantitative results up by over 200 per cent and 300 per cent respectively. These extremely positive results were influenced by a number of exceptional seizures made in these two countries during 2013. On 17 July 2013, Spanish Customs seized 3.3 tonnes of cocaine from a vessel on the high seas, while on 14 October 2013, Netherlands Customs officers seized 1,031 kg of cocaine in sea freight at the Port of Amsterdam. The shipment arrived from Colombia.

Despite the substantial fall in the quantities of cocaine intercepted in 2013, the number of exceptional seizures remained relatively high. As it happens, 24 cocaine seizures were in excess of 500 kg and 12 in excess of one tonne.



US and Colombian authorities seized 1.7 tonnes of cocaine on a "Go-fast" boat

Photo courtesy of the US CBP



7.6 tonnes of cannabis resin, transported in an articulated lorry from Spain and concealed behind crates containing foodstuffs, were seized by French Customs

Photos courtesy of French Customs

## Cannabis

Cannabis is still the most readily available and widely used drug throughout the world. Its production remains global in scale given that the climate in the majority of regions is conducive for its cultivation.

In countries where climate is not favourable to growing cannabis (mainly countries in the Northern hemisphere), indoor and hydroponic cultivation are practiced. These also result in products with far higher than average levels of tetra hydro cannabinol (THC).

Around a hundred Members input data relating to cannabis seizures in 2013.

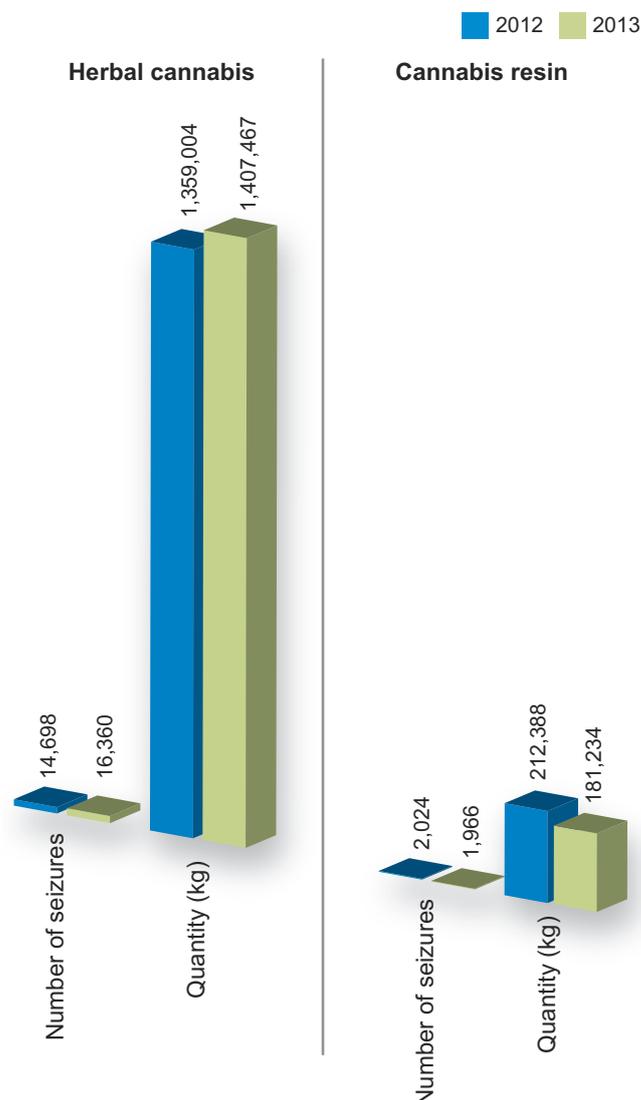
It can be seen from Chart 3 showing the total number of cannabis seizures broken down into herbal cannabis and cannabis resin, as well as the total quantity of products intercepted in 2012 and 2013, that the breakdown was proportionally very similar both in terms of the number of seizures and the quantities seized: around 2,000 seizures relating to cannabis resin (per year) amounting to a total of approximately 200 tonnes, and around 15,000 seizures relating to herbal cannabis (per year) amounting to a total of approximately 1,400 tonnes.

With regard to herbal cannabis, not only the number of seizures but also the quantities intercepted increased substantially in 2013 compared with the previous year.

Table 8 shows the number of herbal cannabis seizures and the quantities intercepted in 2012 and 2013 (top 10 countries).

It goes without saying that, in keeping with the results achieved in 2011, 2012 and 2013, the United States unquestionably remained the most effective country in terms of herbal cannabis seizures. With a total of 1,301 tonnes of products seized in 2013, out of a total

Chart 3. Number of seizures and quantity of herbal cannabis and resin seized





30 kg of cannabis resin, concealed under the carpet of a car, seized by Serbian Customs



Photos courtesy of Serbian Customs

of 1,377 tonnes across all countries, the United States accounted for more than 94 per cent of the total quantities input into the CEN worldwide.

Most of the seizures were made within United States territory and, as was the case in previous years, the majority of the shipments came from Mexico.

The countries which stood out in 2013 by seizing in excess of 2.5 tonnes of herbal cannabis feature in the top 10. Spain, India, Malawi and Poland were not included among the leaders in 2012. Burkina Faso, Bangladesh, Argentina, Italy and Albania demonstrated consistency as regards the results achieved for this category of drug.

As for the source countries featured in the CEN database, Mexico was the clear leader with 202 tonnes of

products having left that country and intended almost exclusively for the United States, following by India (21 tonnes), Ghana (20 tonnes) and Albania (nine tonnes).

Three exceptional seizures made in 2013 are worth mentioning. The first was an interception by the United States on 25 July 2013 at Calexico, at the land border with Mexico. United States Customs and Border Protection (US CBP) officers seized 15,990 kg of herbal cannabis concealed in an articulated lorry coming from Mexico.

The second seizure was made on 23 July 2013 by Indian Customs at Siliguri, within that country's territory. It involved 4,088 kg of herbal cannabis discovered among a lorry's load.

The third seizure was made on 23 July 2013 by Burkinabe Customs officers at Bobo-Dioulasso, within the territory. The interception involved 1,160 kg of herbal cannabis transported on bicycles which had come from Ghana and were bound for Mali.

**Table 8. Top 10 reporting countries: number of seizures and quantity of herbal cannabis**

| Country                  | 2012               |                  | 2013               |                  |
|--------------------------|--------------------|------------------|--------------------|------------------|
|                          | Number of seizures | Quantity (kg)    | Number of seizures | Quantity (kg)    |
| United States            | 12,823             | 1,266,376        | 13,057             | 1,301,414        |
| Spain                    | 11                 | 1,179            | 9                  | 17,486           |
| Burkina Faso             | 45                 | 10,705           | 56                 | 15,336           |
| Bangladesh               | 213                | 9,967            | 267                | 10,941           |
| India                    | 1                  | 3,012            | 6                  | 10,270           |
| Argentina                | 61                 | 32,766           | 74                 | 5,919            |
| Italy                    | 196                | 5,215            | 1,635              | 4,934            |
| Albania                  | 40                 | 7,508            | 55                 | 4,452            |
| Malawi                   | 0                  | 0                | 2                  | 3,440            |
| Poland                   | 36                 | 188              | 32                 | 2,771            |
| <b>Total (out of 10)</b> | <b>13,426</b>      | <b>1,336,916</b> | <b>15,193</b>      | <b>1,376,963</b> |

Turning to cannabis resin, not only the number of interceptions but also the quantities seized fell substantially in 2013 in comparison with the previous year. This fall was in the region of 5 per cent for the number of interceptions made, and 15 per cent for the total quantity of cannabis seized in 2013.

It goes without saying that, in keeping with the results achieved over the past decade, Spain unquestionably remained the most effective country in terms of cannabis resin seizures. With a total of 125 tonnes of products seized in 2013 (an increase in excess of 15

per cent over 2012), out of a total of 181 tonnes across all countries, Spain accounted for 70 per cent of the overall quantities input into the CEN worldwide.

The countries which stood out in 2013 by seizing more than 500 kg of cannabis resin feature in the Table 9. Morocco and Germany demonstrated consistency as regards the results achieved in comparison with 2012. Mozambique featured with a single seizure in 2013, but involving a quantity in excess of five tonnes. France excelled through its significant progress (16.5 tonnes) in 2013, in comparison with 2012 (10.9 tonnes). All the other countries, namely the Netherlands, Lithuania, Pakistan, Norway and Yemen, witnessed a substantial reduction in 2013 compared with 2012.

Morocco undoubtedly remained the reference source country for cannabis in 2013, given that 135 tonnes of this product came from that country. Only one tonne came from Pakistan, another source country for cannabis resin.

Spain also featured in the routes as a country of consignment for a total of 31.7 tonnes of product, but actually served more as a redistribution country for cannabis.

Overland transport (lorries, vans, buses, private vehicles) clearly remained the preferred delivery method, accounting for 48 per cent of the seizures made, followed by air transport (passengers and luggage: 44 per cent) and, to a lesser degree, sea transport even though the quantities intercepted in this last method of transport were very high.

**Table 9. Top 10 reporting countries: number of seizures and quantity of cannabis resin**

| Country                  | 2012               |                | 2013               |                |
|--------------------------|--------------------|----------------|--------------------|----------------|
|                          | Number of seizures | Quantity (kg)  | Number of seizures | Quantity (kg)  |
| Spain                    | 1,345              | 105,570        | 1,197              | 125,930        |
| Morocco                  | 85                 | 24,299         | 70                 | 25,074         |
| France                   | 84                 | 10,971         | 98                 | 16,574         |
| Mozambique               | -                  | -              | 1                  | 5,283          |
| Netherlands              | 12                 | 203            | 7                  | 1,566          |
| Lithuania                | 1                  | 412            | 3                  | 1,037          |
| Pakistan                 | 22                 | 9,754          | 8                  | 968            |
| Norway                   | 26                 | 1,018          | 29                 | 646            |
| Yemen                    | 33                 | 2,279          | 9                  | 586            |
| Germany                  | 44                 | 597            | 38                 | 577            |
| <b>Total (out of 10)</b> | <b>1,652</b>       | <b>155,103</b> | <b>1,460</b>       | <b>178,241</b> |



*Seizure of a large quantity of marijuana in a light aircraft by the US CBP*

*Photo courtesy of the US CBP*

For 2013, three exceptional seizures illustrating the outstanding work carried out by the WCO Members took place. The first was an interception of 16.5 tonnes of cannabis resin on 17 December 2013 by Moroccan Customs at the Port of Agadir. The products were concealed in a container of tomatoes bound for the Netherlands.

The second seizure was made on 31 May 2013 by Spanish Customs at sea, on board of a boat bound for Malaga. The interception involved 16 tonnes of cannabis resin hidden on board of the vessel.

The third seizure was reported by French Customs and took place on 25 April 2013 at the French-Spanish border post at Biriadou. It related to 5.5 tonnes of cannabis resin concealed in an articulated lorry coming from Spain and bound for the Netherlands.



Fresh khat, transported in a passenger's hand luggage, seized by US CBP



Photos courtesy of the US CBP

## Khat

Khat is a shrub of the Celastraceae family which originated in Ethiopia and whose cultivation spread to Arabia (particularly Yemen) around the 15<sup>th</sup> century. It is consumed by the people of those regions, who chew the leaves slowly for their stimulant and euphoric effects which are comparable to amphetamine.

The legal status of khat is not uniform throughout the countries, especially in Europe where it is only illegal in a little over half the European Union Member States.

Khat is legally imported into some countries (chiefly, but not solely, the United Kingdom), whereas secondary distribution takes place mainly to Scandinavia and the United States.

A review of the Tables 10 and 11 listing the top ten countries having made the most seizures in 2012 and

**Table 10. Top 10 reporting countries: number of seizures and quantity of khat seized in 2012**

| Country                  | Number of seizures | Quantity (kg)  |
|--------------------------|--------------------|----------------|
| United States            | 10,516             | 56,523         |
| Germany                  | 87                 | 27,734         |
| Sweden                   | 118                | 9,500          |
| Denmark                  | 32                 | 7,609          |
| Norway                   | 122                | 6,350          |
| France                   | 43                 | 2,612          |
| Italy                    | 27                 | 1,603          |
| Switzerland              | 22                 | 1,525          |
| Hong Kong, China         | 10                 | 1,095          |
| Finland                  | 16                 | 415            |
| <b>Total (out of 10)</b> | <b>10,993</b>      | <b>114,965</b> |

2013 having relative stability in terms of the countries featured therein, with one exception (Hong Kong, China) which was included in the top 10 in 2012 and replaced by the Netherlands in 2013. The latter country recently changed its legislation and has now included khat in the list of substances prohibited on its territory.

It is worth stressing that the number of seizures involving khat grew by over 30 per cent between 2012 and 2013 and the quantities intercepted increased by over 40 per cent during the same period, totalling over 168 tonnes of products intercepted by Customs throughout the world.

The countries which witnessed the biggest increase over the period were: the United States, going from 56 tonnes to 80 tonnes of products intercepted, France, going from 2.6 tonnes to over 34 tonnes, Norway, going from 6 tonnes to 12 tonnes, and the Netherlands which featured for the first time in

**Table 11. Top 10 reporting countries: number of seizures and quantity of khat seized in 2013**

| Country                  | Number of seizures | Quantity (kg)  |
|--------------------------|--------------------|----------------|
| United States            | 13,995             | 80,158         |
| France                   | 60                 | 34,214         |
| Germany                  | 55                 | 14,762         |
| Norway                   | 191                | 12,097         |
| Netherlands              | 302                | 8,944          |
| Denmark                  | 65                 | 7,546          |
| Sweden                   | 49                 | 5,770          |
| Switzerland              | 44                 | 1,865          |
| Italy                    | 31                 | 1,727          |
| Finland                  | 24                 | 871            |
| <b>Total (out of 10)</b> | <b>14,816</b>      | <b>167,955</b> |

statistics with 302 interceptions involving a total of 8.9 tonnes of khat.

In terms of the number of seizures made in 2013, in keeping with the data recorded for 2012 and with tiny variations, the vast majority of khat consignments were sent by postal and express mail (over 92% of the products intercepted) followed by air freight (5%) and road transport (2%), other conveyances only playing a minor role (see Table 12).

The main reason for the predominance of postal and express mail is the fact that khat is a product that needs to be consumed while fresh. Almost all the khat seized in the United States used this means of transport.

With respect to the quantities of khat intercepted, nearly all the 2012 trends were repeated in 2013, with a few nuances, i.e. the postal and express mail sector for 50 per cent of the products intercepted, followed by road transport (41%), air transport (passengers and air freight combined: 7%) and rail transport (1.5%).

The significance of road transport (41%) in terms of the quantity of products intercepted is essentially due to the fact that in Europe, the redistribution of khat consignments to Northern Europe is primarily carried out by road.

**Table 12. Number of seizures of khat seized by means of transport**

| Conveyance   | 2012               |                | 2013               |                |
|--------------|--------------------|----------------|--------------------|----------------|
|              | Number of seizures | Quantity (kg)  | Number of seizures | Quantity (kg)  |
| Mail         | 10,410             | 51,878         | 14,144             | 84,649         |
| Vehicle      | 210                | 46,762         | 204                | 69,008         |
| Air          | 361                | 10,431         | 840                | 12,847         |
| Other        | 44                 | 400            | 24                 | 1,545          |
| Rail         | 72                 | 2,975          | 15                 | 544            |
| Unknown      | 2                  | 71             | 16                 | 247            |
| Vessel       | 4                  | 2,994          | 1                  | 23             |
| Pedestrian   | -                  | -              | 9                  | 3              |
| <b>Total</b> | <b>11,103</b>      | <b>115,511</b> | <b>15,253</b>      | <b>168,867</b> |

## Psychotropic substances

A review of the Table 13 shows that the quantities of psychotropic substances intercepted in 2013 fell considerably in comparison with 2012, whereas the number of interceptions made increased by over 2,000 cases in comparison with the previous year. Despite this fall in quantities, psychotropic substances remain an evolving threat with respect to new products and especially their delivery method, as described in the general introduction to this Report. The detailed study of these products will build on the major current trends in order to enlighten the border services, which have to establish innovative strategies to curb this illegal trade.

According to the obtained information (Table 13), the most active regions in the fight against psychotropic substances remain, in descending order, Asia-Pacific, North America, Middle East, West Africa, Western Europe, Eastern and Central Europe, North Africa and Central Africa which together accounted for quantities ranging from over 100 kg to five tonnes. The other regions reported quantities under 100 kg. Despite the generalised decline in quantities, it is nevertheless worth noting the strong growth shown by the West Africa region which went from 47 kg in 2012 to eight tonnes in 2013. This upward trend was also maintained by the Middle East region which achieved a positive variance of 40 per cent over the two years, and also by the

**Table 13. Number of seizures and quantity of psychotropic substances seized by region**

| Region                      | 2012               |                | 2013               |                |
|-----------------------------|--------------------|----------------|--------------------|----------------|
|                             | Number of seizures | Quantity (kg)  | Number of seizures | Quantity (kg)  |
| Asia-Pacific                | 1,402              | 386,885        | 1,178              | 343,302        |
| North America (USA)         | 3,024              | 35,966         | 5,582              | 16,465         |
| Middle East                 | 608                | 9,479          | 713                | 13,304         |
| West Africa                 | 9                  | 47             | 12                 | 8,389          |
| Western Europe              | 1,214              | 3,122          | 919                | 3,051          |
| Eastern and Central Europe  | 139                | 206            | 116                | 364            |
| North Africa                | 1                  | 0              | 2                  | 269            |
| Central Africa              | 2                  | 2              | 5                  | 118            |
| CIS                         | 571                | 232            | 444                | 74             |
| South America               | 7                  | 11             | 19                 | 29             |
| Eastern and Southern Africa | 1                  | 9              | 1                  | 2              |
| <b>Total</b>                | <b>6,978</b>       | <b>435,958</b> | <b>8,991</b>       | <b>385,368</b> |



63 kg of amphetamine, concealed in a consignment of carrots, seized by French Customs



Photos courtesy of French Customs

Eastern and Central Europe region with a positive variance in excess of 70 per cent.

Two regions made significant breakthroughs in 2013, whereas the 2012 statistics gave them a score of almost zero. These were the North Africa and Central Africa regions which recorded 269 kg and 118 kg respectively. It is worth underscoring the substantial reductions in quantities seized in North America, Asia-Pacific and the CIS. In total, Africa, with the exception of Eastern and Southern Africa, achieved exceptional results in 2013 as regards seizures of psychotropic substances, alongside the other regions that traditionally supply the greatest input into the CEN database. This resurgence by African Customs services highlights both the effectiveness of the Customs inspection services and the opening of a consumer market for this type of product in this part of the world. The detailed analysis to follow will help shed light on the issues.

The most frequently used means of transport for psychotropic substances indisputably remained postal and express mail services, based on the number of seizures reported in Table 14, with an increase in the number observed in 2013 although the quantities did not keep pace and fell slightly. Larger quantities were nevertheless input into the CEN under the means of transport entitled "Pedestrian" both in 2012 and 2013, with a relatively average and stable number of seizures over the two years.

Transport by vehicle followed closely behind in terms of the number of seizures with a slight increase, although the quantities intercepted fell by almost half between the two years. Sea transport increased sharply (almost doubling) from 2012 to 2013, whereas

the number of seizures fell substantially between the two years. As this conveyance covers larger distances, it makes sense to transport greater quantities. The air sector follows behind the sea transport sector to round out the quantities intercepted in excess of two tonnes, while and the rail sector brought up the rear with an increase in quantities and in the number of seizures made.

However, the headings "Unknown" and "Other" provide no information on a specific means of transport, even though the combination of the number of seizures and quantities intercepted under these two headings leaves them very well placed. Once again, this raises the problem of the quality of data input into the CEN which the quality of the analysis depends on.

The psychotropic substances and other prohibitions recorded in the CEN by the WCO Members are

**Table 14. Number of seizures and quantity of psychotropic substances seized by means of transport**

| Conveyance   | 2012               |                | 2013               |                |
|--------------|--------------------|----------------|--------------------|----------------|
|              | Number of seizures | Quantity (kg)  | Number of seizures | Quantity (kg)  |
| Pedestrian   | 919                | 354,183        | 806                | 334,021        |
| Vehicle      | 1,456              | 44,637         | 1,707              | 26,822         |
| Other        | 28                 | 1,118          | 49                 | 9,712          |
| Mail         | 3,197              | 6,872          | 5,082              | 6,241          |
| Vessel       | 126                | 1,796          | 91                 | 3,830          |
| Air          | 789                | 2,760          | 844                | 2,325          |
| Unknown      | 386                | 24,523         | 328                | 2,309          |
| Rail         | 77                 | 69             | 84                 | 108            |
| <b>Total</b> | <b>6,978</b>       | <b>435,958</b> | <b>8,991</b>       | <b>385,368</b> |

extremely varied to say the least. In order to streamline the analysis, the most commonplace products have been chosen, taking into account the knowledge and recognition of these products as well as the quantities intercepted. This selection was also made in the interests of legal balance, listing products for which the majority of Members have clear and precise legislation restricting their circulation and consumption because of their proven or potential risks to citizens. However, the choice will necessarily be restrictive, excluding products whose dangers were one of the reasons behind Members including them in the CEN.

In light of the foregoing, and for the purposes of this analysis, 15 psychotropic substances which were most frequently intercepted over the past two years were selected. These include products which have become "classics", such as amphetamine, methamphetamine, tramadol, captagon, etc., and those which are less well known or difficult to identify, especially synthetic cannabinoids. These synthetic drugs take many forms and have various names according to their chemical compounds. They are generically listed as new synthetic drugs (see Table 15).

The product described as Phensidyl is best known in the Asia-Pacific region which reported almost all the

**Table 15. 15 types of the most current psychotropic substances seized**

| Category                  | 2012               |               | 2013               |               |
|---------------------------|--------------------|---------------|--------------------|---------------|
|                           | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Phensidyl                 | 445                | 379,996       | 371                | 339,405       |
| Methamphetamine           | 1,848              | 9,245         | 1,870              | 12,129        |
| Amphetamine               | 631                | 28,862        | 622                | 12,098        |
| Captagon                  | 177                | 3,953         | 276                | 11,259        |
| Tramadol                  | 151                | 112           | 675                | 1,714         |
| Synthetic cannabinoid     | 269                | 662           | 570                | 1,204         |
| MDMA (ecstasy)            | 309                | 1,692         | 436                | 989           |
| GBL (Gamma Butyrolactone) | 394                | 1,900         | 247                | 944           |
| Kratom                    | 26                 | 1,071         | 28                 | 771           |
| Diazepam                  | 512                | 375           | 241                | 757           |
| Mephedrone                | 37                 | 113           | 510                | 631           |
| Sibutramine               | 20                 | 56            | 500                | 464           |
| DMT                       | 140                | 1,692         | 58                 | 311           |
| Ketamine                  | 202                | 2,545         | 189                | 276           |
| Alprazolam                | 226                | 171           | 337                | 263           |



*Seizure of 2 kg of methamphetamine by Thai Customs. Itinerary: China - Hong Kong, China - Bangkok*

*Photos courtesy of Thai Customs*

seizures relating to this product. Taking into account the data entered into the CEN, the production and circulation of this product are confined to India and Bangladesh. The number of seizures and quantities seized fell between 2012 and 2013. It is nevertheless worth pointing out that the India-Bangladesh route forms the bulk of this trafficking. The products were primarily concealed "on the body" or transported by individuals (99% of cases). This product, in syrup form, is often used as a narcotic or anti-depressant. Although it may be used legally in India, it is prohibited in Bangladesh where it is linked to a large number of crimes. The disparity in the two countries' legal frameworks explains the large quantities seized in Bangladesh (over 300 tonnes reported over the past two years). Phensidyl manufacturing was also reported in the Republic of the Union of Myanmar.

Approximately 50 countries reported amphetamine seizures. Despite a slight downturn noted in 2013, the number of seizures recorded in the CEN database remained relatively stable. In contrast, the quantities fell substantially in 2013, declining from 28 tonnes to a mere 12 tonnes.

This downward trend is reflected in Table 16, listing the top 10 countries having reported the largest quantities in 2013. This fall was essentially attributable to the United States and Saudi Arabia, given that they had supplied most of the data for this product in 2012.



6.3 kg of amphetamine and 0.895 kg of ecstasy discovered by Serbian Customs inside the hidden compartments of a vehicle travelling from Hungary



Photos courtesy of Serbian Customs

China, which featured in 2012, did not report any amphetamine seizures in 2013.

Conversely, the Netherlands, Sweden, Poland, Norway and Germany reported larger seizures. Burkina Faso, which featured for the first time in 2013 in the amphetamine seizure statistics, took the lead with an exceptional quantity of more than eight tonnes of products intercepted.

This large amount in circulation in this part of the world supports a new consumption and marketing trend for this product in the Sahel zone which is susceptible to tensions and wars, especially in Mali and Niger where terrorist activities have been identified.

**Table 16. Top 10 reporting countries: number of seizures and quantity of amphetamine**

| Country                  | 2012               |               | 2013               |               |
|--------------------------|--------------------|---------------|--------------------|---------------|
|                          | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Burkina Faso             | -                  | -             | 5                  | 8,091         |
| United States            | 220                | 22,735        | 311                | 1,897         |
| Saudi Arabia             | 89                 | 5,245         | 15                 | 977           |
| Germany                  | 122                | 303           | 68                 | 336           |
| Norway                   | 19                 | 103           | 38                 | 213           |
| Sweden                   | 13                 | 23            | 50                 | 186           |
| France                   | 9                  | 259           | 12                 | 142           |
| Netherlands              | 1                  | 1             | 1                  | 58            |
| Poland                   | 25                 | 26            | 21                 | 48            |
| China                    | 14                 | 37            | -                  | -             |
| <b>Total (out of 10)</b> | <b>512</b>         | <b>28,733</b> | <b>521</b>         | <b>11,948</b> |

Moreover, Mali and Niger were the destinations for the products intercepted in Burkina Faso. These products were being conveyed by vehicles and other means of transport (bicycles and motorcycles) from Ghana, the country of consignment. There are fears of this trafficking extending to other countries in the region, given that seizures are being reported there in lesser quantities but which reflect the scale of this phenomenon.

The road sector predominates for the delivery of these products, based on the information supplied by the United States, Saudi Arabia, Germany, Norway, Sweden and France.

During 2013, 53 countries reported information on methamphetamine seizures, equating to an increase of 11 countries relative to 2012. This growth in the number of countries having reported data was also reflected in a rise in the number of seizures made which went from 1,848 cases in 2012 to 1,870 cases in 2013, as well as in the quantities of methamphetamine intercepted which rose to 12,129 kg in 2013 against 9,245 kg in 2012.

Table 17, listing the top 15 countries that reported the largest quantities of methamphetamine seized, clearly illustrates this upward trend with countries such as the United States and Australia which reported substantial increases, and Japan which doubled the amount seized in 2012. Satisfactory increases were also noted for Hong Kong, China, India, Israel, Indonesia and Sweden. A fall in quantities was most marked for Germany, China, Thailand and France.

Tajikistan, which featured in 2012, did not report any methamphetamine seizures in 2013.

Several African countries reported methamphetamine seizures during 2013. Those countries made a significant contribution to the statistics for that year, essentially due to the Westerlies Operations carried out in this region. The quantities recorded are not included in the top 15, yet they do provide information on the origin of a variety of this product identified through analyses. The final report on Operation Westerlies 2, contained in the second part of this Section, offers a greater insight into the issues surrounding this new threat.

The preferred conveyance method for methamphetamine remained air transport and the postal and express mail sector for almost all the Asia-Pacific countries, in some cases exceeding 65 per cent, whereas for the United States, transport in vehicles accounted for 41 per cent, followed by pedestrians (17 per cent). Some 40 per cent of the methamphetamine seizures made in Australia were in the sea transport sector.

The countries of departure featuring most frequently for methamphetamine were Mexico, which accounted for

**Table 17. Top 15 reporting countries: number of seizures and quantity of methamphetamines**

| Country                  | 2012               |               | 2013               |               |
|--------------------------|--------------------|---------------|--------------------|---------------|
|                          | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| United States            | 1,124              | 7,090         | 1,294              | 9,464         |
| Japan                    | 106                | 463           | 112                | 776           |
| Australia                | 13                 | 144           | 5                  | 638           |
| Bangladesh               | 105                | 555           | 99                 | 521           |
| Israel                   | 38                 | 31            | 55                 | 88            |
| Hong Kong, China         | 8                  | 25            | 25                 | 69            |
| Indonesia                | 14                 | 26            | 20                 | 68            |
| China                    | 42                 | 122           | 51                 | 61            |
| Singapore                | 47                 | 46            | 23                 | 44            |
| Germany                  | 72                 | 245           | 48                 | 37            |
| Union of Myanmar         | 33                 | 120           | 10                 | 35            |
| Thailand                 | 93                 | 77            | 12                 | 35            |
| Sweden                   | 4                  | 22            | 2                  | 29            |
| France                   | 23                 | 51            | 10                 | 27            |
| Tajikistan               | 1                  | 63            | -                  | -             |
| <b>Total (out of 15)</b> | <b>1,723</b>       | <b>9,079</b>  | <b>1,766</b>       | <b>11,894</b> |

83 per cent of the seizures made in the United States and 62 per cent of those made in Japan. The second-placed country of departure for methamphetamine bound for Japan was India (13 per cent). India was also mentioned as a country of departure for 99 per cent of the seizures made in Bangladesh, and also for approximately 50 per cent of the cases in Thailand, Malaysia and Singapore.

Ghana and Benin took second and third places respectively for seizures made in Singapore. Hong Kong, China was mentioned as the country of departure for 50 per cent of the seizures made in Indonesia and achieved the same score as regards the domestic circulation of the product within its territory. China, which achieved the same score for domestic circulation, was mentioned as the country of departure for 96 per cent of the seizures made in Australia. China was also considered as the country of departure for 60 per cent of the seizures recorded in Israel.

With respect to Western Europe, the United Arab Emirates was mentioned as the country of departure for 60 per cent of the seizures made in Germany, followed by the Czech Republic (30%), with Nigeria in third place. With regard to France, Cameroon and Turkey were mentioned as the leading countries of departure for methamphetamine seized in that country, each accounting for 29 per cent of interceptions.

Captagon seizures increased significantly both in terms of the quantities apprehended and the interceptions made. Quantities rose from approximately four tonnes in 2012 to over 11 tonnes in 2013 (see Table 18).

Saudi Arabia, Lebanon, Jordan, Yemen and Bahrain all reported higher seizures in 2013 for this product which circulates almost exclusively in the Middle East region. In contrast, Kuwait recorded a decline, whilst the United Arab Emirates and Qatar did not feature in the 2013 statistics, even though they submitted data in 2012. It is worth mentioning that Lebanon, which was not included in the 2012 tables, made three seizures in 2013 totalling approximately two tonnes of products.

Saudi Arabia remained the main consumption zone for this product (2.5 times the total quantities seized in 2012). Similarly, Jordan's 2012 results increased almost fivefold in quantitative terms.

**Table 18. Captagon: number of seizures and quantity seized**

| Country              | 2012               |               | 2013               |               |
|----------------------|--------------------|---------------|--------------------|---------------|
|                      | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Saudi Arabia         | 99                 | 3,221         | 152                | 7,902         |
| Lebanon              | -                  | -             | 3                  | 1,869         |
| Jordan               | 15                 | 316           | 7                  | 1,225         |
| Yemen                | 5                  | 77            | 3                  | 138           |
| Bahrain              | 31                 | 12            | 71                 | 25            |
| Kuwait               | 8                  | 131           | 4                  | 8             |
| United Arab Emirates | 2                  | 167           | 1                  | 0             |
| Qatar                | 11                 | 12            | 21                 | 0             |
| <b>Total</b>         | <b>171</b>         | <b>3,936</b>  | <b>262</b>         | <b>11,168</b> |

It is worth stressing that captagon is considered an amphetamine substitute, a prohibited substance in this region whose trafficking and consumption carry severe punishments, extending up to capital punishment in some countries. In addition, the precarious situation in Syria has boosted captagon trafficking. This partly explains the growth in seizures in neighbouring Lebanon, where criminal groups are using the proceeds of its sale to fuel the war effort. Lebanon is also known as a captagon producer.

The preferred means of transport for this product remains vehicles, especially for Saudi Arabia, Jordan and Yemen, whereas sea transport tends to predominate in Lebanon.

The countries of departure for this product are Jordan for Saudi Arabia and Lebanon for the United Arab Emirates. Syria was also mentioned as a source country for seizures made in Saudi Arabia, with transit via Jordan. In conclusion, Lebanon, Jordan and Saudi Arabia make up the main trafficking zone for captagon in the Middle East.

For the purposes of this heading 18 psychotropic substances were selected and classified according to the quantities intercepted, choosing products for which the total quantity seized exceeded 50 kg. Overall, an increase in quantities with a top 3 made up of products close to or exceeding one tonne is noted. Tramadol was in first place with 1,714 kg in 2013, a tripling of the 2012 weight, followed by synthetic cannabinoids for which the 2013 figures double those of 2012, and ecstasy which witnessed a

fall of approximately 50 per cent in 2013 compared with 2012 (see Table 19).

The other products have witnessed upward and downward variations from one year to another. It should be noted that the products classified in the synthetic cannabinoids category may take on a wide variety of forms and names. They are described differently according to their production method. They nevertheless pose genuine threats to public health and a major challenge to the inspection units which have to keep abreast of and adapt to these ever-changing products and to frequently amended legislation. It is vital that national intelligence and analysis services update themselves on a daily basis on the latest trends concerning these products. To this end, the RILOs have an important role to play in sharing, at regional level, emerging risks relating to these synthetic drugs.

**Table 19. Other psychotropic substances: number of seizures and quantity seized**

| Type of product             | 2012               |               | 2013               |               |
|-----------------------------|--------------------|---------------|--------------------|---------------|
|                             | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Tramadol                    | 151                | 112           | 675                | 1,714         |
| Synthetic cannabinoid       | 269                | 662           | 570                | 1,204         |
| MDMA (ecstasy)              | 309                | 1,692         | 436                | 989           |
| GBL (Gamma Butyrolactone)   | 394                | 1,900         | 247                | 944           |
| Kratom                      | 26                 | 1,071         | 28                 | 771           |
| Diazepam                    | 512                | 375           | 241                | 757           |
| Mephedrone                  | 37                 | 113           | 510                | 631           |
| Sibutramine                 | 20                 | 56            | 500                | 464           |
| DMT                         | 140                | 1,692         | 58                 | 311           |
| Ketamine                    | 202                | 2,545         | 189                | 276           |
| Alprazolam                  | 226                | 171           | 337                | 263           |
| Methaqualone (mandrax)      | 1                  | 0             | 4                  | 186           |
| Zolpidem                    | 47                 | 20            | 268                | 137           |
| Clonazepam                  | 101                | 196           | 84                 | 230           |
| Mirungi                     |                    |               | 2                  | 114           |
| GHB (Gamma Hydroxybutyrate) | 19                 | 40            | 24                 | 89            |
| Benzodazepine               | 25                 | 22            | 19                 | 83            |
| Mescaline                   | 49                 | 74            | 22                 | 50            |



Following the “Train-the-Trainer” workshop in Libreville (Gabon), a national training session was organized for officers from external services

*Photo courtesy of Senegal Customs*



WCO Secretary General Mr. Kunio Mikuriya (centre) visiting the OCU (Operational Co-ordination Unit)

*Photo courtesy of WCO Secretariat*

## OPERATION WESTERLIES 2

Operation Westerlies 2 aimed to combat illicit trafficking in methamphetamine by air between Africa and Asia, via Europe and the Middle East, through heightened Customs controls on passengers departing from, in transit via and arriving at international airports known for being located on routes used by drug smugglers and members of organized crime syndicates.

It was also intended to co-ordinate the joint efforts of Customs administrations at inter-regional level for effective interception of drug couriers. Over and above the seizures and arrests, Westerlies 2 highlighted the importance of post-seizure investigations into the criminal groups behind this trafficking, as well as co-operation between Customs, Police and other law enforcement agencies involved in combating drug trafficking and organized crime.

The Operation took place during a 10-day period, from 6 to 15 December 2013. Approximately 75 Customs administrations, 10 RILOs and the WCO’s Drug Enforcement Team took part therein.

### Training session

The train-the-trainer session was held from 11 to 15 November 2013 at the Regional Training Centre (RTC)

in Ouagadougou, Burkina Faso. Representatives from the 27 African Customs administrations wishing to take part in the Operation participated in this workshop, sponsored by the Japan Customs Co-operation Fund (CCF/Japan). During the workshop, courses were delivered by a trainer from French Customs, experts from Japan and the WCO Secretariat’s Enforcement Team. The training covered a wide range of topics such as passenger risk profiling, cargo, controlled delivery, global trend analysis of drug trafficking and practical use of the CENcomm.

One of the main objectives of the workshop was to assist the attending officials to cascade the operational knowledge acquired down to frontline officers responsible for conducting controls on the ground at points of entry and departure. Due to their co-ordination efforts, the attending officials were able to run a number of national workshops within their respective administrations.

### Operation co-ordination

An Operational Co-ordination Unit (OCU) was set up at WCO Headquarters in Brussels for the duration of the Operation. It comprised Customs experts from the Democratic Republic of the Congo, Japan, Nigeria and Senegal, as well as experts from the WCO Secretariat’s Enforcement Team. The OCU was rounded out by a representative from the RILO



2 kg of methamphetamine, concealed in the false bottom of a suitcase, seized by Nigerian Customs during Operation Westerlies 2

Photo courtesy of Nigerian Customs



Seizure of 1,260,000 US dollars by Congo (Dem. Rep. of) Customs at Kinshasa Airport during Operation Westerlies 2

Photo courtesy of Customs Service of Democratic Republic of the Congo

Western Europe who performed tasks for the OCU remotely, out of Cologne. On the first day of the Operation, the WCO Secretary General, Kunio Mikuriya, met the OCU experts and offered them encouragement.

The OCU fulfilled its mission in accordance with the Operational Plan, especially with respect to:

- facilitating information exchange at inter-regional level via the CENcomm,
- disseminating significant alerts or warning messages,
- assuming a central co-ordination role between Customs administrations,
- daily monitoring of seizure reports, and issuing an updated operational status report, newsletters and the final report.

After the conclusion of the Operation on 16 December 2013, a "virtual" OCU continued to operate for a 10-day period to verify information on ongoing seizures. Participating Customs administrations were able to input seizure data into the CENcomm up to 26 December 2013.

## Operation results

The Operation resulted in the seizure of over three tonnes of drugs and precursors across 66 interceptions. The drug seizures covered 2,750 kg of cannabis resin and herbal cannabis, 146 kg of methamphetamine and

amphetamine, as well as 62 kg of cocaine, 21 kg of heroin and 85 kg of khat (see Table 20). In addition to drugs, in excess of 321 kg and 173 specimens of CITES products (including ivory, rhinoceros horns, pangolin scales and dried seahorses) were seized.

During this Operation, Customs officers also seized undeclared currency totalling 1.3 million US dollars, 855,970 euro and 195 million Indian rupees, as well as 16 kg of gold bars and 46 long guns and handguns.

Table 20. Number of seizures and quantity (by drug type)

| Drug                     | Number of seizure | Quantity           |
|--------------------------|-------------------|--------------------|
| Amphetamine              | 2                 | 20.14 kg           |
| Amphetamine - liquid     | 1                 | 0.6 litres         |
| Cannabis - herbal        | 14                | 2,737.7 kg         |
| Cannabis - powder        | 1                 | 1.15 kg            |
| Cannabis - resin         | 2                 | 11.43 kg           |
| Cocaine - crack          | 2                 | 2 kg               |
| Cocaine - powder         | 18                | 54.04 kg           |
| Cocaine - solution       | 2                 | 5.98 kg            |
| Ephedrine                | 1                 | 13 kg              |
| Heroin - powder          | 7                 | 20.74 kg           |
| Khat                     | 1                 | 85 kg              |
| Methamphetamine          | 1                 | 21 kg              |
| Methamphetamine - powder | 15                | 105.35 kg          |
| Opium                    | 1                 | 15.46 kg           |
| <b>Total</b>             | <b>67</b>         | <b>3,092.99 kg</b> |
|                          | <b>1</b>          | <b>0.6 litres</b>  |

## OPERATION COCAIR IV

The fourth Operation Cocair, planned in 2013 was organized following the establishment of Joint Airport Interdiction Task Forces (JAITFs) for Project Aircop. The latter have been consequently involved in every phase of the process so as to sustainably build their capacities in the area of joint operations, in accordance with their annual programmes.

Consequently, from 26 October to 3 November 2013, Operation Cocair IV, financed by the European Commission and organized by the WCO in conjunction with the UNODC and INTERPOL, pooled all the Project Aircop JAITFs with the other law enforcement units (Customs, Police and other agencies), established in 30 airports across 27 countries in Africa, Latin America and the Caribbean, primarily to combat trafficking in cocaine and, more generally, in all other prohibited goods.

Some European countries also participated, thus contributing to a tighter network for enhanced surveillance of trafficking from the cocaine production zones to the destination zones, via the transit countries.

In keeping with previous Cocair Operations and bearing in mind the analysis of their results, Cocair IV reprised almost all the same objectives given that the problem of cocaine trafficking remains current. However, its scope was broadened with the involvement of the Project Aircop JAITFs, with a view to developing their reflexes as regards export controls and information sharing.

### Training session

The train-the-trainer session took place from 30 September to 4 October 2013 in Libreville, Gabon.

In addition to the representatives of the WCO, INTERPOL, the UNODC, the RILOs for West and Central Africa and France, 56 experts from 27 countries participating in Operation Cocair IV attended this training (Benin, Brazil, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Côte d'Ivoire, Congo (Republic of), Democratic Republic of the Congo (DRC), Dominican Republic, Gabon, Gambia, Ghana, Guinea, Guinea Bissau, Jamaica,



5.3 kg of cocaine, concealed in engine cylinders, seized by Niger Customs during Operation Cocair IV

*Photos courtesy of Niger Customs*

Liberia, Mali, Morocco, Mauritania, Niger, Nigeria, Senegal, and Togo). Delegates from the JAITFs of Benin, Cape Verde, Côte d'Ivoire, Ghana, Mali, Nigeria, Senegal and Togo represented their countries.

All experts having completed the training session left Libreville with the full set of course materials, in order to relay this training within their respective countries. The courses covered the identification of drugs, knowledge of drug routes, techniques for targeting and selecting passengers posing a risk, recognition of CITES goods and use of the CENcomm. The courses were delivered by a French expert (for drug trafficking), a Burkinabe expert on behalf of the WCO (for CITES), financed by the GAPIN Project fund, and by WCO officials (use of the CENcomm).

Cascade training took place in 12 countries, enabling the officials who stayed at the home country to gain and/or consolidate knowledge relating to airport inspections and enforcement for the purposes of the Operation. These capacity building activities were crucial to the responsiveness of officers conducting inspections in airports.

### Operation co-ordination

Co-ordination of the Operation and sharing of information between participants were facilitated by an OCU set up at the WCO Secretariat in Brussels for the entire operational phase. It co-ordinated the transmission of data between the RILOs and the National Contact

Points (NCPs), sending them a daily newsletter summarising the facts and figures for the Operation.

The OCU was composed of the representatives from RILOs, WCO and INTERPOL experts, an expert from French Customs and several experts from countries taking part in the Operation. Each participating country designated an NCP tasked with sending and receiving information messages and circulating information about control points within his/her territory. The NCPs coordinated the transmission, to the OCU, of messages notifying suspicious consignments.

## Operation results

Over 6,000 messages were shared between 109 CENcomm users over the nine days of the operational phase, extended by an additional week to record pending cases.

This impressive figure adequately demonstrates the intensity of exchanges between the various players. The different NCPs acted as a genuine communication channel between officers at borders and members of the OCU to inject vitality into this exchange and to place the control units on a constant state of alert.

The Operation, which concluded on 3 November 2013, recorded a total of 98 seizures in the CENcomm. These seizures covered:

- 1.7 tonnes of various drugs, including:
  - 1,500 kg of herbal cannabis;
  - 181 kg of cocaine;
  - 40 kg of methamphetamine;
  - 2.7 kg of heroin;
- 10 tonnes of medicinal products;
- 10 kg of psychotropic substances;
- 35 kg of CITES products (including elephant tusks – rough or worked ivory);
- 1,433,000 euro;
- 65 kg of gold;
- 91 arrests of individuals involved in trafficking.



*2.5 kg of methamphetamine, concealed in the false bottom of a suitcase, seized by Nigerian Customs during Operation Cocair IV*

*Photos courtesy of Nigerian Customs*

## Operation assessment

It is clear that the positive results generated by the Cocair Operations, substantiated by the latest Operation, draw largely on their implementation methodology which is now considered fundamental for actions of this type. The approach is based on a train-the-trainer activity whose impact is greatly increased through cascade training, the opening of a CENcomm test phase to establish improved teaching methods for information and intelligence exchange and, finally, coverage of the heightened control period by a physical OCU.

Looking beyond the performances, which constitute a barometer for assessing an action, Cocair IV was evaluated against the objectives set, as laid out in the Operational Plan and recalled below.

- Identifying the natural and legal persons and organizations involved in this trafficking, as far as the legal provisions offered by each country's legislation permit (controlled international deliveries and house searches);
- Providing information on the status of cocaine trafficking in the regions involved; evaluating and analysing this information in order to generate up-to-date and relevant risk profiles and targeting criteria.
- Raising airport inspection services' awareness of the risk of smuggling on flights bound for European countries (direct flights or in transit via hubs);
- Gathering information on the status of cocaine trafficking in the regions involved; evaluating and analysing this information in order to generate up-to-date and relevant risk profiles and targeting criteria;
- Promoting information sharing about this phenomenon between law enforcement agencies (Customs, Police and others) as well as co-operation and information sharing between the RILOs in the regions concerned; drawing on the WCO and INTERPOL's expertise and logistical resources;
- Strengthening controls within the main international airports in South America, the Caribbean and West and Central Africa on flights bound for European countries or the major North African hubs (Casablanca, Tunis and Algiers), in order to intercept consignments of cocaine, drugs or chemical precursors;



Official inauguration of the WCO Regional Dog Training Centre in the Russian Federation by Mr. Vladimir Malinin, Deputy Director General of Russia's Federal Customs Service and WCO Secretary General Mr. Kunio Mikuriya  
 Photo courtesy of Russia's Federal Customs Service



Detection dog demonstration at the Forum in Moscow  
 Photo courtesy of Russia's Federal Customs Service

## THE SECOND GLOBAL DOG FORUM

(28-29 May 2013, Moscow, Russia)

The Strategic Plan in the WCO Customs in the 21<sup>st</sup> Century document highlights the promotion of growth and development by facilitating trade and enhancing border security. To achieve these goals, the use of effective technologies and tools requires human resource management and training. Holding a workshop with a focus on multidisciplinary dog and handler teams is an ideal means of sharing specialized knowledge and techniques in this professional area.

To achieve this objective, the first WCO Global Dog Forum was convened at WCO Headquarters in Brussels in January 2011, which was proved an excellent platform for effectively sharing experiences in the Customs canine domain.

Riding on the success of the first Forum, the Second WCO Global Dog Forum was held in Moscow, Russia from 28 to 29 May 2013. The Forum was officially opened by Mr. Vladimir Malinin, First Deputy Head of the Federal Customs Service of Russia and Mr. Kunio

Mikuriya, Secretary General of the WCO. The participants actively exchanged views on various aspects of the operation of canine centres and training programmes. They agreed to set up a virtual working group to promote cooperation and to develop common standards for training programmes, as well as to share perspectives on the establishment of WCO Regional Dog Training Centres. To facilitate the exchange of messages or information related to canine training and detection in a completely secure manner, the WCO launched the Canine CENcomm communication platform in 2011.

The delegates agreed that the Forum is a useful platform for exchange of professional knowledge in this area and it should be an established event.

After the Forum, the participants were invited to attend the inauguration of the WCO Regional Dog Training Centre in Russia. They visited the facility, enjoyed a demonstration by detector dogs and continued their technical discussions on the spot. This is the fifth WCO Regional Dog Training Centre to be opened after the Centre in Hermanice in Czech Republic, in Almaty (Kazakhstan), in Tashkent (Uzbekistan) and in Ruili, Yunnan Province (China).

## CONTAINER CONTROL PROGRAMME

### The UNODC – WCO Container Control Programme

The WCO-UNODC Container Control Programme (CCP) was established in March 2006 to address the needs of the global enforcement community to monitor the movement of containerised cargo in a more effective and efficient way. With more than 600 million global container movements reported annually<sup>1</sup>, of which only an estimated 2 per cent are inspected, CCP plays an important role in addressing the risks related to the low inspection rates and facilitating legitimate trade. The increase in legitimate containerised maritime trade is threatened, more than ever, by international organised crime operating along legal maritime trade supply chains. Web-based secure information exchange systems, developed and continuously enhanced by the WCO, have played a crucial role in supporting the global CCP to intercept illicit goods in the trade supply chain and to enhance global cooperation and information exchange.

The Programme launches Port Control Units (PCUs) in selected sea and dry ports by integrating the representatives of various enforcement agencies in a single working body. To be able to identify the high-risk containers, the officers receive training in profiling and targeting using modern risk-based working methodologies. They are also trained in the areas of drugs and precursor chemicals, counterfeit goods, smuggling of strategic goods, nuclear materials, weapons and CITES-related infringements.

In 2013, the UNODC-WCO CCP expanded to include nine geographical regions in which 33 PCUs are fully operational in fifteen countries. In another thirty-four countries, the Programme is engaging with relevant authorities to establish Port Control Units and deliver tailor-made training based on the identification of regional threats and needs.

A pivotal component of CCP continues to be the phased training approach, from basic theoretical and practical modules, to advanced specialised training. In 2013, 56 training workshops, study tours and mentorships took place. An estimated 553 officials were trained, of which approximately 12 per cent were women. Officials are required to serve their respective PCUs for a minimum of three years to ensure continuity and sustainability.

Throughout the reporting period, the international donor community continued to support the CCP with contributions now amounting to more than US \$40 million. Forging partnerships with donors is also important at a technical level, as it provides CCP with additional technical know-how. Several donor countries have provided law enforcement experts as trainers.

The activity of the Container Control Programme in 2013 resulted in seizures of 23,444 kg of cocaine, 6,422 kg of cannabis, 1,277 kg of heroin, 60,883 kg of tramadol and 725 kg of ivory. In addition, large quantities of counterfeit goods (119 containers), medicines, cigarettes, spirits, stolen cars and e-waste were also seized in 2013<sup>2</sup>. Throughout the years, due to the expansion of the CCP and trainings provided, the quantities of seized commodities have been growing steadily.



*Seizure of 4,386 kg of cocaine in a shipping container, by Customs officers from the Joint PCU at the port of Guayaquil (Ecuador)*

*Photos courtesy of Ecuador Customs*

<sup>1</sup> *Review of Maritime Transport 2013*, UNCTAD, United Nations, 2013, p. xiv. For further information see: <[http://unctad.org/en/publicationslibrary/rmt2013\\_en.pdf](http://unctad.org/en/publicationslibrary/rmt2013_en.pdf)>

<sup>2</sup> All aforementioned seizures are taken into account in the analysis of the respective Sections of this Report.



*Photo courtesy of Panalpina*

## PROJECT AIRCOP AND RELATED DEVELOPMENTS

Project Aircop, launched in 2010 with funding from the European Union and co-financing by Canada, is aimed at more effectively combating illicit cocaine trafficking by air from South America, via Africa, bound for Europe, as well as at fighting airport crime in general. The scope of this Project, which is managed by the UNODC in close co-operation with INTERPOL and the WCO, is primarily West and Central Africa where the first multidisciplinary units were set up from 2011 onwards, during the first phase.

Accordingly, between 2011 and 2013 JAITFs, comprising officials from Customs, Police, the Gendarmerie and other law enforcement agencies, were established in the airports of Praia in Cape Verde, Dakar in Senegal, Bamako in Mali, Lomé in Togo, Cotonou in Benin, Abidjan in Côte d'Ivoire, Accra in Ghana and Lagos in Nigeria. JAITFs are continuing to be established in Central Africa during the second phase, especially in Cameroon where agreements have been signed between the Government and the UNODC to set up joint units in the airports of Douala and Yaoundé.

As part of the same aim of impeding cocaine trafficking for which the air routes are increasingly diversifying, during the third phase in 2014 Project Aircop began expanding to the so-called supply countries in South America and the Caribbean. Accordingly, a JAITF has been operational since early 2014 in the Dominican Republic, covering the Las Américas airport in the capital city and Punta Cana airport. In its wake, Panama is in the process of setting up a unit in Panama airport. Other airports will follow, especially in Argentina, Colombia, Venezuela and Jamaica.

Airports situated on air routes used for this trafficking are also associated with the Project, with local liaisons facilitating the exchange of operational information and best practices with JAITF officials by means of the CENcomm, the WCO's secure communication tool. South Africa, Kenya and Morocco, where assessment missions have been carried out, have been identified

as countries "associated" with the Project and are benefitting from the opening up of the CENcomm for information exchange. This same approach is being applied to European countries considered as the final destination of illicit products. Since 2013, some 12 European countries have been connected to the CENcomm, giving the Project a multi-regional quality.

This opening up to Europe is continuing with a clear interest being shown in the Project by the rest of the countries. This interest is amply justified not only by their membership of the institution which forms the primary funding agency, but also by the fact that they are located in the destination zone of the majority of the illicit products. A sound understanding of trafficking trends through the information conveyed by the network developed is consequently enabling them to further hone the control strategies implemented at their air borders.

The WCO CENcomm and INTERPOL's I-24/7 database enable secure information transmission between airports and the consultation of air passengers' criminal records, thus facilitating the JAITFs' risk analysis work. The WCO periodically supplies analytical reports summarizing the JAITFs' activities, supplemented by information on related criminal activities drawn from its various databases, as well as from the INTERPOL databases, in order to target controls more effectively.

It is nevertheless worth mentioning that the pace of Project Aircop actually increased following the analysis of the results of the first Operation Cocair, carried out by the WCO in West Africa in 2008 in response to the emerging threat posed by the opening up of a new route for cocaine from South America to Europe, transiting Africa. That analysis made it possible to focus on the need to build the capacities of airport services in some African airports affected by cocaine trafficking, particularly in terms of training, facilities, work equipment and drug detection tools, and, most importantly, to pool the efforts of the various enforcement services operating within the same airport environment.

The organizational arrangements for the operations remained the same and were included in the Project Aircop annual programme, in order to test the

mechanism in real time. Operations Cocair II and III were consequently conducted by the WCO in a number of African airports, in partnership with the UNODC and INTERPOL. An increase was noted in terms of seizures of prohibited goods, thanks to the continued control reflexes among the enforcement services, including the first JAITFs to be set up.

Operation Cocair IV, conducted in 2013, coincided with the establishment of the eight Project Aircop JAITFs and provided an opportunity to test their operational capabilities alongside some 30 airport units from countries in Africa, Latin America and the Caribbean. The full results of this Operation are available in a separate article.

It is, however, noteworthy that the Project Aircop JAITFs were particularly successful during this Operation, making a total of 23 seizures accounting for approximately 30 per cent of the overall seizures. The products intercepted by the JAITFs included 1,150 kg of cannabis, 21.6 kg of cocaine, 4.2 kg of methamphetamine, 2.5 kg of heroin and € 26,870 in currency within the most important of the nine categories of products listed. The quantities intercepted by the JAITFs were significant in terms of the seizures as a whole during the Operation. The diversity of products intercepted bears witness to the JAITFs' desire to discharge the full range of functions assigned to them as regards combating all forms of illicit trafficking in the airport environment.

The highly rewarding experience of Operation Cocair IV should culminate by making the JAITFs permanent components of the national machinery for combating airport crime. Some divides and rivalries with local structures within this machinery, which had come to light when the JAITFs were being set up, are beginning to wane. The JAITFs are working to this end, by making wise use of the platform available to them and continuing to conduct anti-trafficking activities in the airport environment, in concert with other airport stakeholders.

In addition to the management of the airport environment, information sharing between airport units, a practice tested during Operation Cocair IV, is currently a core activity of the JAITFs given the latter's

understanding that optimum results will only be obtained through co-operation facilitating the operational exchange of information and intelligence.

Drawing on the practices during Operation Cocair IV, the JAITFs are keeping up the momentum for co-operation and revitalizing the network by increasingly using CENcomm Warning Messages to exchange operational information. A tighter information network is beginning to take shape within Project Aircop and through which, thanks to the CENcomm, over 100 multidisciplinary staff are sharing extremely varied knowledge relating to all types of enforcement in the airport environment.

A new feature of the Project Aircop version of the CENcomm tool is that it offers not only the possibility of communicating with the structures, but also of limited and direct contact with a JAITF unit or a specific official selected according to certain criteria, in order to ensure complete confidentiality and sensitivity with respect to particular issues.

Finally, it is hoped that the multitude of skills demonstrated within the JAITFs will form a lasting aspect of the approach to sharing operational information and intelligence on airport crime and that these skills will be passed on to the countries associated with the Project, especially in Europe, in pursuit of Project Aircop's objectives.

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Seizure of ivory tusks by Kenya Revenue Authority

Photo courtesy of Kenya Revenue Authority

## SECTION 2.

# ENVIRONMENT

*The threat posed by an unprecedented spike in the illegal wildlife trade in fauna and flora is imminent. It jeopardises the sustainability of populations through irreversible changes in the natural landscape and the reduction of biodiversity, as well as providing sources of funding to criminal groups and thus constituting a threat to national security. To address the phenomenon, this Section of the WCO Illicit Trade Report is dedicated to environmental issues and divided into the equal priority areas of waste, ozone depleting substances, CITES-protected species, timber and minerals.*

### INTRODUCTION

By its nature, environmental crime is trans-boundary and in many cases it involves organised cross-border criminal syndicates. Globalisation has indirectly made it easier to transport harmful commodities across national boundaries: a tiger skin or an ivory tusk

passes through many hands on its way from the poaching site to the final buyer and an illegally felled tree illegally can travel around the world before ending up as a piece of luxury furniture. In many cases, endangered species and tropical timber are shipped from less-developed countries to the developed world, whilst hazardous waste is exported from developed to developing countries.

Customs administrations play an essential role at the border in protecting the environment. Customs is charged with ensuring compliance with the trade-related provisions of multi-lateral environmental agreements (MEAs) and with national legislation.

The WCO Secretariat continues to work closely with other international and regional organisations involved in environmental issues. The cooperation has been formalised through a series of Memoranda of Understanding with partners such as the CITES Secretariat, the Basel Convention Secretariat, the United Nations Environment Programme (UNEP), the Lusaka Agreement Task Force (LATF) and TRAFFIC, which maximises joint efforts in the fight against environmental crime. Together with the CITES Secretariat, INTERPOL, the United Nations Office on Drugs and Crimes (UNODC) and the World Bank, the WCO forms the International Consortium on Combating Wildlife Crime (ICWC). By working collaboratively, the five organisations that form ICWC have a unique pool of technical and programming expertise, presenting the opportunity for a novel approach to the multi-faceted challenge of wildlife crime.

Customs faces many challenges, but is committing significant tools and resources towards the fight against

environmental crime at the border. They are using the full range of inspection, detection and investigation techniques, including risk profiling, detector dogs, scanners, intelligence sharing and controlled deliveries.

The CEN has been widely used for sharing information on seizures of wildlife and other environmentally sensitive goods. In addition, the WCO Secretariat is managing ENVIRONET, which is a secure real-time communication tool for information exchange and cooperation in the area of environmental issues among Customs administrations, competent national agencies, international organisations and their regional networks.

In the following paragraphs, the WCO's efforts in the Environmental Programme in 2013 will be elaborated with some key areas of development and operations. While the CEN is designed to be a platform for the global reporting of seizures, the available seizure statistics on environmentally sensitive goods do not allow a comprehensive analysis for a global trend. Hence, the analysis of seizures in this Section will focus on certain key CITES species. This Section aims at giving the readers an overview of the rampant situation of environmental crime, and calls on the relevant authorities to continue the combat against this menace.

## Multilateral Environmental Agreements (MEAs)

Many environmentally sensitive goods are controlled under MEAs and other treaties. MEAs are agreements between several parties – that is, States or, in some cases, regional economic integration organisations such as the European Union – to pursue specific measures aimed at protecting the environment and conserving natural resources. This type of initiative is often brought about by worldwide concerns about the great and sometimes serious impacts of seemingly harmless human activities on the earth's fragile environment. When an MEA enters into force, the parties are bound by its provisions; indeed, compliance with the measures is mandatory. The effective moni-

toring and control of the trans-boundary movement of the environmentally sensitive goods is a key component of environmental protection and, in many cases, national security. The main MEAs with international trade-related provisions are the following:

- Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and Their Disposal
- Cartagena Protocol on Bio-safety to the Convention on Biological Diversity
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- Montreal Protocol on Substances that Deplete the Ozone Layer

- Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade
- Stockholm Convention on Persistent Organic Pollutants

Customs officers play a central role in implementing international trade-related MEAs. They help regulate legal trade and detect illegal trade. They check the validity of trade documents and ensure that they correspond to the actual goods. They combat fraud and check traders' compliance with prohibition and restriction measures and they collect the applicable duties and taxes.

## ILLEGAL TRADE IN HAZARDOUS AND OTHER WASTES

The Basel Convention regulates the trans-boundary movement of hazardous wastes and other wastes. The obligations and procedures of the convention apply whenever hazardous wastes and other wastes covered by the convention cross from one national jurisdiction to another, whether or not the wastes are being shipped as part of a commercial transaction or under a trading relationship. The Basel Convention was adopted in 1989, and it entered into force in 1992. Currently there are 181 parties to the Basel Convention.

Hazardous waste causes long-term poisoning of soil and water, affecting people's health and living conditions, sometimes irreversibly. Unscrupulous trading in waste has become an increasingly serious concern. Under the Basel Convention, parties have the right to prohibit the import of hazardous waste, and parties are prohibited from exporting hazardous waste without pre-consent from the importing countries. The Convention establishes a regulatory system that requires the prior informed consent of the state of import and the state of transit before wastes can be exported. An obligation of re-importation arises when an export has not complied with the Convention.

### Operation Demeter III

Initiated by China Customs and organised by the World Customs Organisation, Operation Demeter III targeted maritime shipments during a period of five weeks in October and November 2013, with a view to identifying illegal shipments of hazardous and other waste controlled by the Basel Convention. The operation was mounted with the support of the Secretariat of the Basel Convention (SBC), the EU Network for Implementation and Enforcement of Environmental Law (IMPEL), the European Commission's Directorate General for Taxation and Customs Union (DG TAXUD), the International Network for Environmental Compliance and Enforcement (INECE), INTERPOL and the United Nations Environmental Programme's Regional Office for Asia and the Pacific (UNEP ROAP).

The joint efforts of 44 Customs administrations in Europe, Asia and the Pacific and North America,



*Metal scraps intercepted by Swedish Customs during the Operation Demeter III*

*Photo courtesy of Swedish Customs*

including participating partners such as the national environmental agencies and the Police, resulted in 48 seizures/detentions of 7,022,724 kg and 3,403 pieces of waste. The seized and detained waste ranged from textile waste, plastic waste, household waste, scrap metal, electrical and electronic equipment (e-waste), to used vehicle parts and tyres.

Most of the seizures/detentions took place in European countries. The largest seizure, namely 5,700 tonnes of textile waste, was realised in China. 12 Members reported cases: Belgium, Bulgaria, China, France, Germany, Hong Kong (China), Italy, the Netherlands, New Zealand, Poland, Portugal and Sweden.

Operation Demeter III involved a series of operational mechanisms: intensified controls, monitoring, notifications and feedback. Participants relied on CENcomm, the WCO's secure and encrypted communication tool, to exchange crucial information and intelligence and to coordinate their operational activities during the course of this enforcement initiative.

The WCO Regional Intelligence Office for the Asia and the Pacific – based in Seoul, Korea – hosted the Operation Coordination Unit and played an important role during the Operation as a focal point for information exchange.

The illegal trade in waste remains a significant global environmental issue and compliance with Basel Convention's provisions continues to be a challenge.

The added-value demonstrated in this Operation strongly encourages the implementation of similar actions in the future. A coordinated approach involving all stakeholders is required to tackle the illegal trade in waste.

## China Customs launched Operation Green Fence to strengthen waste management<sup>1</sup>

With a view to safeguarding national ecological security, protecting human health and deepening cooperation with domestic and foreign competent authorities, China Customs carried out Operation Green Fence domestically from 1 February to 30 November 2013, to improve the management of imported solid waste and fight against smuggling of the hazardous waste. During the Operation, China Customs supervised 45.5 million tonnes of imported solid waste, investigated 1,176 cases in different categories of smuggled waste, arrested 380 suspects and conducted an audit of over 2,608 enterprises.

On the basis of the analysis of major sources of solid waste, as well as previous smuggling cases of waste, China Customs examined all the relevant declaration forms carefully, implemented the regulations of the supervision, transit and repatriation of the imported solid

waste, increased investment in front-line manpower, funding and equipment, optimised the allocation of human resources and made full use of advanced technologies such as large-scale inspection equipment.

On the basis of the streamlining of smuggling trends and previous cases, China Customs, with the purpose of regulating the industry and identifying risks, intensified the collection, analysis and classification of the risk information of major enterprises and sensitive goods, and monitored the repatriation to prevent the re-importation of solid waste, which is prohibited. Meanwhile, external auditing on the enterprises importing solid waste was carried out regularly to ensure that it was processed by authorised enterprises.

Focusing on key areas and channels of waste smuggling, as well as its major related goods and enterprises, China Customs established an effective and efficient cooperation and coordination mechanism for information exchange and know-how transfer. By means of strengthening collaboration among regional Customs districts and cracking down hard on waste smuggling via false declaration, fraudulent declaration and concealment, China Customs fought against illegal traders and syndicates. In addition, China Customs also strengthened cooperation with governmental agencies, such as environmental protection authorities, to destroy the smuggling channels and chains in a joint effort.

## Second-hand goods versus waste: challenges for Customs

Countries in Africa and Asia are being flooded with waste items that have been declared as second-hand goods (especially e-waste). Clearly, reusing second-hand goods instead of disposing of

them is desirable in terms of a sustainable environmental and resources policy. However, if the second-hand goods market is used to circumvent the regulations governing waste disposal in order to get rid of waste products cheaply in developing countries, then these actions are illegal. In fact, it often happens that goods declared usable are already waste when they leave the country of export<sup>2</sup>.

There is no clear distinction between second-hand goods and waste. The lack of internationally accepted guidelines creates difficulties for Customs. Some countries have developed their own criteria. The Basel Convention is currently working on guidance for regulating the import and export of e-waste.

<sup>1</sup> Information provided by China Customs.

<sup>2</sup> *Exporting consumer goods – Second-hand articles or waste?*, Federal Office for the Environment (FOEN), 2011.

## ILLEGAL TRADE IN OZONE-DEPLETING SUBSTANCES

The Montreal Protocol is an international agreement that controls the production and consumption of specific man-made chemicals that destroy the ozone layer, the earth's protective shield. The Montreal Protocol was signed in 1987 and came into force in 1989. Currently there are 197 Parties to the treaty.

The ozone layer is destroyed by ozone-depleting substances (ODS) when those chemicals are released into the atmosphere and then react with ozone molecules. ODS include chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), halons, hydrobromofluorocarbons (HBFC), methyl bromide, carbon tetrachloride (CTC), methyl chloroform (TCA) and bromochloromethane. ODS and products that contain ODS are used as refrigerants in refrigeration and air-conditioning and heat pump systems, as blowing agents, as cleaning solvents, as propellants, as sterilants, as fire extinguishers, as fumigants, and as feed-stock and process agents.

### Smuggling ozone-depleting substances

Significant seizures of ODS have been reported by India Customs: three consignments with the refrigerant R-22 (used in air conditioners). 1,702 cylinders, each weighing 13.6 kg, were concealed amongst the cover load and arrived by vessel from China. In another incident 1,305 cylinders containing R22 were detected behind fresh oranges. In this case the container arrived from Dubai, UAE. Through investigation the Directorate of Revenue Intelligence recovered 182,901 kg of R-22 kept in storage tanks. The refrigerant was imported misusing the licensing scheme. In recognition of its contribution to enforce the trade provisions applicable to ODS under the Montreal Protocol the OzonAction Programme of UNEP awarded the ECA Ozone Protection Award for Customs & Enforcement Officers to the Directorate of Revenue Intelligence, Central Board of Excise & Customs, India.

During 2012 several seizures of ODS with false labels or fake packaging were reported. The trend continued in 2013. In July Serbia Customs stopped a truck en

route from Bulgaria to Italy with ten cylinders labelled as R134A. The cylinders were hidden amongst apricots. While the sticker covered the number 22 it did not cover the name of the chemical. Subsequently the substance was tested and it was found that the containers actually contained a mix of R22 and hydrocarbons.

### Project Sky-Hole-Patching<sup>3</sup>

Project Sky-Hole-Patching launched its operation in 2006 under the initiative of China Customs. Under the Project, a notification mechanism has been established for the effective exchange of suspicious shipments and seizure information. This regional Project was started in two phases. Phase I, commencing on 1 September 2006, aimed at suppressing the illicit trade of ODS. Phase II was rolled out on 1 March 2007 with the inclusion of hazardous waste in the notification system. With support from participating members, the Project has become an ongoing operation coordinated by the Regional Intelligence Liaison Office for Asia and the Pacific by the RILO AP since 1 November 2007. Currently, there are 25 Customs administrations participating in the Project: Australia, Bangladesh, Bhutan, Brunei, Cambodia, China, Fiji, Hong Kong (China), India, Indonesia, Japan, Korea, Macau, Malaysia, Maldives, Mongolia, Myanmar, Nepal, New Zealand, Pakistan, Philippines, Samoa, Sri Lanka, Thailand and Vietnam.

On the 20<sup>th</sup> anniversary of the Montreal Protocol in 2007, RILO AP was presented with the Stratospheric Ozone Protection Award by the United States Environmental Protection Agency in recognition of its outstanding contribution in combating illegal trade in ODS.

In 2013, there were 43 reported seizures in the database of Project Sky-Hole-Patching. One of them was related to ODS whereas the remaining cases were related to other kinds of wastes.



Mislabeled cylinder with R22 seized by Serbian Customs  
Photo courtesy of Serbian Customs

<sup>3</sup> Information provided by RILO Asia-Pacific.

## ILLEGAL TRADE IN WILDLIFE

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) aims to ensure that international trade in specimens of wild animals and plants does not threaten their survival. CITES has been in force since 1975, and currently has 180 parties. The trade in CITES-listed species is diverse, ranging from live animals and plants to food products, exotic leather goods, wooden musical instruments, timber, tourist curios, medicines and other wildlife products. The Convention accords varying degrees of protection to more than 35,000 species of animals and plants, whether they are traded as live specimens or as raw or finished products. Appendices I, II and III to the Convention are lists of species afforded different levels or types of protection from over-exploitation<sup>4</sup>.

### Cooperation with TRAFFIC

In October 2013 the Secretary General of the World Customs Organisation, Kunio Mikuriya, and Steven Broad, Executive Director of TRAFFIC, signed a Memorandum of Understanding (MOU) between the organisations at WCO Headquarters.

The MOU formalises the ongoing co-operative relationship between the WCO and TRAFFIC on sensitising Customs to wildlife conservation issues and bolstering efforts to respond to illegal trade in protected animals and plants.

The Parties have agreed to pool their capacity building efforts by disseminating existing references and training materials, jointly developing new materials and organising joint training activities for Customs officers. Both organisations are working together to provide guidance to frontline Customs officers tackling illegal practices in the timber trade. They have also agreed to enhance information exchange.

TRAFFIC was established in 1976 and has developed into a global network, research-driven and action-orientated, committed to delivering innovative and practical conservation solutions based on the latest information.

TRAFFIC is governed by the TRAFFIC Committee, a steering group composed of members of TRAFFIC's partner organisations, the World Wide Fund for Nature (WWF) and the International Union for Conservation of Nature (IUCN). A central aim of TRAFFIC's activities is to contribute to the wildlife trade-related priorities of these partners<sup>5</sup>.

### 16<sup>th</sup> meeting of the Conference of the Parties to CITES (CoP16)

CoP 16, held in Bangkok, Thailand, in March 2013 took decisive action to halt the decline of tropical timber, sharks, manta rays and a wide range of other plants and animals. The Parties decided to include five commercially valuable shark species in Appendix II. The oceanic whitetip, scalloped hammerhead, great hammerhead shark, smooth hammerhead shark and the porbeagle shark are harvested in huge

numbers for their valuable fins and, in some cases, meat. In the future, they will have to be traded with CITES permits and evidence will have to be provided that they are harvested sustainably and legally. These listings mark a milestone in the involvement of CITES in marine species. Furthermore, the manta ray species were included in Appendix II. Manta gill plates fetch high prices in international markets and have been traded in significant numbers in recent years.

International trade in a range of rosewoods and ebonies from Asia, Central America

and Madagascar will now be regulated by the Convention as well. Rapidly rising demand for these precious tropical hardwoods has led to serious concerns that unregulated logging is depleting populations of already rare species.

Cross-border movement of wooden musical instruments was also addressed during the meeting. CITES also contains special procedures for musicians and institutions travelling with musical instruments containing precious woods such as Brazilian rosewood, and other products of species listed by the Convention<sup>6</sup>.

<sup>4</sup> "What is CITES?", available at < <http://www.cites.org/eng/disc/what.php>>

<sup>5</sup> "About TRAFFIC", available at < <http://www.traffic.org/overview/>>

<sup>6</sup> "CITES conference takes decisive action to halt decline of tropical timber, sharks, manta rays and a wide range of other plants and animals", available at < [http://www.cites.org/eng/news/pr/2013/20130314\\_cop16.php](http://www.cites.org/eng/news/pr/2013/20130314_cop16.php)>

## Operation Cobra

Customs, Police and wildlife officers from Asia, Africa and the United States mounted a successful cross-border enforcement operation, codenamed Cobra, to crack down on wildlife crime syndicates. The month-long operation in January and February 2013 targeted species under serious threat, such as big cats, elephants, rhinos, pangolins and great apes.

Operation Cobra yielded hundred of arrests and resulted in the seizure of assorted wildlife specimens, such as shahtoosh (1,550 kg – representing the killing of almost 10,000 Tibetan antelope to harvest the wool), red sander wood (42,000 kg), elephant ivory (6,500 kg), live snakes (2,600), hornbill beaks (324), pangolins (102), pangolin scales (800 kg), rhino horns (22), rhino horn carvings (4), tiger trophies (10), leopard trophies (7) and elephant meat (31 kg). The haul also included the claws and teeth of protected felid animals and plant species, as well as assorted equipment, including firearms and ammunition recovered from poachers.

This was a well-received and innovative initiative, the first international effort to focus on the sharing of information for investigation in real time among Customs and other law-enforcement agencies of implicated countries and partnering institutions in order to curtail rampant wildlife crime. Operation Cobra facilitated co-operation among range, transit and consumer countries. Specialised investigation techniques, such as controlled deliveries, were promoted and a number of follow-up investigations into seizures were initiated.

The Operation was organised by China, South Africa and the United States in cooperation with the Association of Southeast Asia Nations Wildlife Enforcement Network (ASEAN-WEN), the South Asia Wildlife Enforcement Network (SAWEN) and Lusaka Agreement Task Force (LATF), with the assistance of the WCO, the CITES Secretariat and INTERPOL. The WCO's Regional Intelligence Liaison Office for the Asia and the Pacific took part in the International Coordination Team based in Bangkok.

## Illegal trade in great apes

Great apes include gorillas, bonobos, chimpanzees and orang-utans (the orang-utan is the only great ape found in Asia). All great ape species have experienced a considerable decline in population size and range – deforestation, agricultural expansion and mining operations are all threats to the range area – over the past decades.

### Great apes and CITES

Gorillas, bonobos, chimpanzees and orang-utans are listed on Appendix I of CITES.

### The use of great apes

Great apes are hunted for their meat and the demand for amusement parks, circuses, zoos and private pet collectors are a considerable threat to the survival of these species. Sometimes the animals are kept by sailors on board ships.

### Smuggling

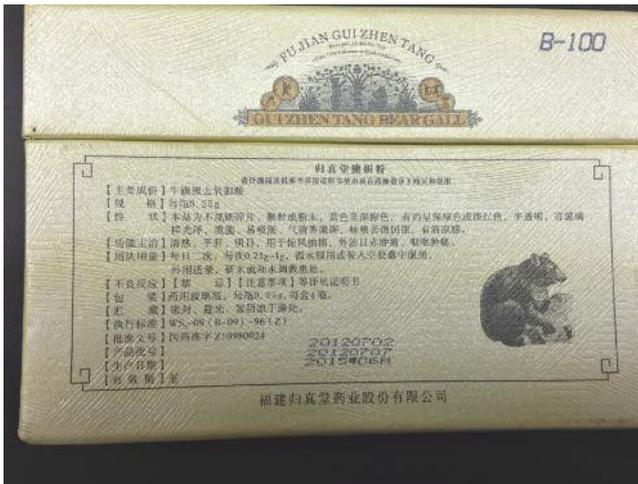
In 2013 no seizures of great apes were reported to CEN. The smuggling of live animals, and in particular great apes, is very different from smuggling wildlife products such as ivory or rhino horn. In the past infant apes have been reported smuggled in luggage by air passengers. Seeking high profits, organised live ape smugglers aim to minimise the travelling time to ensure the survival of the animals, which requires a great deal of planning and logistics. They prefer to transport apes by cargo airplane directly to the destination country using small local air strips<sup>7</sup>, which makes it much more challenging for law enforcement officers to detect such illegal activities.

## Illegal trade in tigers

Less than 100 years ago tigers were found throughout much of Asia, however as few as 3,200<sup>8</sup> – poaching is the most immediate threat to wild tigers – exist in the wild today. Their range has been reduced by 93 per cent and wild populations can now only be found in 13 countries: Bangladesh, Bhutan, Cambodia, China,

<sup>7</sup> Stiles D., Redmond I. (eds), *Stolen Apes, The Illicit Trade in Chimpanzees, Gorillas, Bonobos and Orangutans. A Rapid Response Assessment*, United Nations Environmental Programme, GRID-Arendal, 2013.

<sup>8</sup> WWF, "Adopt a tiger", available at <<http://worldwildlife.org/species/tiger>>



Traditional Asian medicine containing bear bile seized by the United Kingdom Border Force

Photos courtesy of United Kingdom Border Force



India, Indonesia, Lao PDR, Malaysia, Myanmar, Nepal, Russia, Thailand and Vietnam. At present, tigers exist only in scattered populations in small, isolated and fragmented landscapes<sup>9</sup>.

### Tigers and CITES

Tigers are listed in Appendix I.

### The use of tiger parts

Every part of the tiger, including the bones, is illegally traded. Their parts are used for traditional medicine (e.g. tiger bone wine), folk remedies and, increasingly, as a status symbol among wealthy individuals.

### Smuggling

Only a few seizures of tiger parts and products were reported to CEN in 2013. Customs in the United Kingdom and Germany reported several seizures of small quantities of traditional medicines containing tiger parts mainly arriving from China. In the Czech Republic Customs, in cooperation with wildlife inspectors, seized two complete tiger skeletons to be exported to Vietnam. The skeletons were hidden inside loud speakers.

## Illegal trade in bears

Bears are found in Asia, Europe, North America and South America. All bear populations are threatened by the illegal trade in bear parts and products.

### Bears and CITES

Bears are generally listed in Appendix II, except the Asian black bear, the brown bear (only the populations of Bhutan, China, Mexico and Mongolia, all other populations are included in Appendix II), the Sun bear and the Himalayan brown bear, which are listed in Appendix I.

### The use of bear parts

Bears are killed for various reasons. Their paws are considered a delicacy while their hides are used as home decorations. Bear bile, a liquid substance produced by the liver and stored in the gallbladder, has been used in traditional medicine for the last 3,000 years. It is sold in various forms including: whole gall bladders, raw bile, pills, powder, flakes and ointment but bear bile can also be found in everyday commodities including wine, tea, and shampoo<sup>10</sup>. Bear bile medicines are used in China, Japan, Korea, Vietnam and countries across the globe with significant Asian populations<sup>11</sup>.

<sup>9</sup> Stoner S., Pervushina N., *Reduced to Skin and Bones Revisited. A TRAFFIC Report*, TRAFFIC International, Kuala Lumpur, Malaysia, 2013.

<sup>10</sup> Foley, K-E, Stengel C.J, Shepherd C.R., *Pills, Powders, Vials & Flakes: The bear bile trade in Asia. A TRAFFIC Report*, TRAFFIC Southeast Asia, 2011.

<sup>11</sup> "Operation CHARM: The Illegal Trade in Bears", Metropolitan Police and Animals Asia Foundation, available at <<http://operationcharm.org/documents/illegalBearTrade-En.pdf>>

## Bear and bear part smuggling

In 2013 Customs reported several seizures of bear bile medicines mainly for personal consumption. Customs officers in Mongolia seized 275 bear teeth at the border with China. Several hundred bear paws were seized by China Customs at the border with Russia.

## Illegal trade in elephant ivory

Populations of elephants in Africa continue to be under severe threat as the illegal trade in ivory grows – with double the numbers of elephants killed and triple the amounts of ivory seized, over the last decade. Globally, illegal ivory trade activity has more than doubled since 2007, and is now over three times larger than it was in 1998. Poaching is spreading primarily as a result of weak governance and the rising demand for illegal ivory in the rapidly growing economies of Asia, particularly China, which is the world's largest destination market<sup>12</sup>.

### Elephants and CITES

African elephants are listed in Appendix I, except the populations of Botswana, Namibia, South Africa and Zimbabwe, which are included in Appendix II. The Asian elephant is listed in Appendix I.

### The use of elephant ivory

Elephant ivory is carved into jewellery, religious objects, hankos (name seals), pieces of art and decoration and other objects. Such carvings have been a much-revered luxury and status symbol around the globe for many centuries. While carved ivory is smuggled from Africa to markets in Asia, North America and Europe, raw ivory is mainly smuggled to China and Thailand.

### Smuggling

Elephants in Asia are not immune to poaching. Ivory from Africa is smuggled all over the globe; however, this section focuses on the smuggling of elephant ivory from Africa to Asia.

Despite continued efforts by the law-enforcement community, the illegal ivory trade continues on a large



*Rhino horns and ivory tusks seized by Uganda Revenue Authority*  
Photo courtesy of Uganda Revenue Authority

scale. Big quantities of ivory are smuggled in maritime and air cargo consignments. Smaller quantities, for personal use and resale, are transported in luggage and by express courier.

In 2013 Customs in Hong Kong (China), Kenya, Malawi, Singapore, Uganda and Vietnam reported cases of ivory with over 500 kg seized.

The biggest haul was achieved by officers from the Kenya Revenue Authority (KRA) at the Port of Mombasa in October. Upon inspection of two containers, declared to be containing sesame seeds, en route from Uganda to Malaysia, 1,642 pieces (4,884 kg) of raw ivory were detected amongst the cover load. Additional containers with more than 1,000 pieces of ivory (more than five tonnes) were intercepted throughout the year before leaving the continent. 832 pieces (2,903 kg) of ivory, concealed in bags full of plastic waste, were seized by the Uganda Revenue Authority in Kampala before they could be

<sup>12</sup> UNEP, CITES, IUCN and TRAFFIC, *Elephants in the Dust – The African Elephant Crisis. A Rapid Response Assessment*, GRID-Arendal, 2013.



*Ivory in passenger's luggage seized by Nigerian Customs*  
Photo courtesy of Nigeria Customs

shipped out of the country. The Malawi Revenue Authority seized 781 pieces (2,640 kg) of ivory from a truck which was coming from Tanzania. The contraband was hidden under bags of cement.

In Asia Customs successfully intercepted several multi-ton shipments of ivory. Hong Kong Customs alone seized more than 3,200 pieces (6.5 tonnes) of ivory shipped in containers from Africa. The containers arrived from Côte d'Ivoire, Kenya, Nigeria and Togo and the ivory was hidden under soya, stones and timber. Singapore Customs and the Agri-Food & Veterinary Authority worked together to intercept a container with 1,099 pieces (1.8 tonnes) of ivory transiting through Singapore from Africa. Within three weeks in October Vietnam Customs seized 4.5 tonnes of ivory at the Port of Hai Phong. The ivory was concealed inside bags of seashells and shipped in containers from Malaysia.

In April, Hong Kong Customs seized 113 pieces (300 kg) of ivory in an air cargo consignment. Through risk assessment, Customs officers selected the consignment declared to contain "spare parts" transhipping from Burundi to Singapore for examination. X-ray images confirmed their suspicions. Instead of spare parts the consignment contained ivory. In July, Customs at Dubai Airport in the United Arab Emirates intercepted 447 kg of ivory sent by air cargo from Zimbabwe. The ivory was stashed under a wooden sculpture.

Mail and express courier shipments with semi-worked ivory (cut pieces) and worked ivory (mainly jewellery) were intercepted at European airports and Hong Kong, China. The biggest number of parcels arrived from Nigeria and was bound for China and Hong Kong, China. Quantities ranged from a few grams up to 20 kg of ivory (found in a mail shipment from Portugal to Malaysia). Mainly semi-worked ivory and worked ivory but also raw ivory was seized from passengers' luggage at departure airports in Africa and transit airports in Africa, Europe, the Middle East, Asia and destination airports in Asia. Most passengers departed from sub-Saharan African countries and travelled to China and Hong Kong, China. However, the largest quantity, 116 kg of raw ivory, was found in the luggage of a passenger departing from Uganda to Nigeria.

Today wildlife smugglers are applying the same methods and techniques as drug syndicates. If shipped by air cargo, passenger luggage, express courier and mail the contraband is artfully hidden inside objects or in the false bottom of the luggage, wrapped in aluminium foil and placed in metal containers or mixed with other organic goods such as fruit and coffee to avoid detection by X-ray. Ivory is painted to give it a different appearance and mislead law enforcement officials. Couriers carry parrot eggs and pieces of rhino horn in their underwear.

## Illegal trade in rhinoceros horns

For 16 years, between 1990 and 2005, rhino poachers in South Africa have been killing 14 animals on average each year. In 2008, this figure rose to 83 and, by 2009, the number had reached 122 rhinos. In 2010, poaching escalated dramatically throughout the year, near tripling the toll and reaching 333 rhinos killed. The numbers kept rising in 2011 (448 rhinos) and 2012 (668 rhinos). In 2013 a sad record of 1,004 rhinos killed was reported<sup>13</sup> in South Africa, while other countries also reported cases of poaching of rhinos: India, Kenya, and Mozambique (apparently the last known rhinos in Mozambique were wiped out by poachers in 2013).

<sup>13</sup> Department of Environmental Affairs, Republic of South Africa, "Update on rhino poaching statistics", available at <[https://www.environment.gov.za/mediarelease/rhinopoaching\\_statistics\\_17jan2014](https://www.environment.gov.za/mediarelease/rhinopoaching_statistics_17jan2014)>



Rhino horns detected by Czech Customs



Photos courtesy of Czech Customs

## Rhinos and CITES

There are currently five species of rhinos existing in the wild:

- The black rhinoceros is listed in Appendix I and is found in sub-Saharan Africa. This animal has two horns.
- The white rhinoceros is listed in Appendix I and is also found in sub-Saharan Africa. However, the geographical populations of a sub-species, in South Africa and Swaziland, are listed in Appendix II (for the exclusive purpose of allowing international trade in live animals to appropriate and acceptable destinations and hunting trophies). This animal has two horns.
- The great Indian rhinoceros is listed in Appendix I and is found only in Bhutan, India, Myanmar and Nepal. This animal has a single horn.
- The Javan rhinoceros is listed in Appendix I and is found only in Indonesia and Malaysia. The animal has a single horn.
- The Sumatran rhinoceros is listed in Appendix I and is found only in Indonesia, Malaysia, Myanmar and Thailand. This animal has two horns.

## The use of rhino horn

In the past rhinos were hunted for their horns to be carved and used as the handles of daggers. Yemen was the main consumer of rhino horn for this purpose. Today rhino poaching is fuelled by the growing demand of rhino horns in Southeast Asia, in particular Vietnam and China. The rhino horn is used as an ingredient in traditional medicine. The use began in China several thousand years ago and later spread to Japan, Korea and Vietnam. Rhino horn is classified as a “heat-clearing” drug with detoxifying properties<sup>14</sup>. Rhino horn has not been well researched but it is believed to cure fevers. Unlike the horns of many other animals, rhino horn contains no bone whatsoever. Rhino horn consists of keratin which is the key structural component of human hair and nails. More recently rhino horn has been promoted by some as a cancer treatment in Vietnam. It is believed that the consumption of powdered rhino horn, dissolved in liquids, will halt the progress of cancer. However, the most popular usage appears to be as a cleansing drink to soothe a hangover resulting from over-consumption of alcohol.

## Smuggling of rhino horn

Although rhino poaching and smuggling also occurs in Asia, this part focuses on the smuggling of rhino horn

<sup>14</sup> “Assessment of Rhino Horn as a Traditional Medicine”, CITES SC62, Doc. 47.2, April 2012.

from Southern and Eastern Africa to Asia. The vast majority of rhinos are illegally killed in South Africa, in particular in the Kruger National Park, bordering Mozambique.

Mozambique and South Africa were the top departure countries for smuggled rhino horn. The main destination was Vietnam, followed by Hong Kong (China) and China.

Air passengers' personal luggage was the most common concealment of smuggling rhino horn. It is common for several horns to be smuggled by one courier. During a luggage inspection of passengers en route from Mozambique to Vietnam and China, officers of the Mozambique Revenue Authority at Maputo Airport detected more than 50 kg of rhino horn. In some cases the rhino horn was cut into smaller pieces in the hope that this would avoid detection. One passenger concealed pieces of rhino horn in his underwear. Customs in Kenya, Thailand and Vietnam seized additional rhino horn carried in air passenger luggage from Mozambique.

The biggest seizure was made by Hong Kong Customs in August 2013. Acting on intelligence provided by China Customs, Hong Kong Customs monitored two suspicious containers shipped from Nigeria. Upon arrival in Hong Kong Customs officers detained the two containers, declared as containing timber, for inspection and detected 13 rhino horns (37.2 kg) together with 1,120 ivory tusks (2,229 kg) and five pieces of leopard skin inside 21 sealed wooden crates at the rear of one of the containers.

## **Czech Republic: illegal trade in rhino horns – abuse of hunting licence<sup>15</sup>**

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Customs and Police authorities in cooperation with the Environmental Inspectorate conducted investigations into extensive cases of illegal trade in rhino horns. During the enquiries, it was established that Czech citizens without previous hunting experience and without a gun licence (“pseudo hunters”) had been recruited by people linked to the Vietnamese community, had been paid for a hunt and subsequently had given up their trophies in favour of the organisers. In the course of the investigation, a total of 22 rhino horns worth a hundred million Czech crowns (approx. EUR 3.7 million) were seized.

In connection with the so called “pseudo hunting” problem, South Africa has introduced new rules (norms and standards for rhino hunting of April 2012) which entered into force after the misuse of hunting licences by people with no hunting experience.

Unfortunately, the most recent cases show a much wider abuse of the system. Cases in the Czech Republic indicate that not only the “pseudo hunters” but also the so called “bona fide hunters” (verified in accordance with the norms and standards – regular members of hunting associations with previous experience and gun licences) do not have in their possession the imported rhino horns. This suggests that the rhino horns imported by some of the Czech “bona fide” hunters are being traded as well.

One of the latest cases involves a hunter who hunted rhinos in April 2013 in South Africa. The hunter in question is a regular member of a hunting association and holds a gun licence (he even trades in gamekeepers' guns). The South African authorities checked this person according to the norms and standards. The import of a trophy and two rhino horns occurred in August 2013 at Frankfurt Airport. In December 2013, the Czech Customs Authorities at Prague Airport detected illegally exported rhino horns. Two rhino horns were concealed inside a shipping container labelled as “wiring accessories” which was intended for export from the Czech Republic to Vietnam. The horns were carefully covered with a plastic film, resin, asphalt foil and electric wires. In the same container there was

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<sup>15</sup> Information provided by the General Directorate of Customs.



*Pangolin meat seized by Hong Kong Customs*  
 Photo courtesy of Hong Kong Customs



*Pangolin scales seized by Cameroon Customs*  
 Photo courtesy of Cameroon Customs

also a bear gallbladder which is also used as a “traditional Chinese medicine”. The rhino horns were seized and the investigation is ongoing.

The above cases and information show that the mere ownership of a hunting licence in a hunting association does not guarantee that the hunter will comply with the terms of hunting licences, will retain the trophy as personal property and will not sell it. On the contrary, the current situation clearly suggests that Vietnamese traders operate directly within the hunting community, where their clients are being recruited.

The available information indicates that other EU Member States might also be affected by an extensive abuse of hunting licences.

## Illegal trade in pangolins

Pangolins, insect eating mammals (also known as scaly anteaters), are common in Asia and Africa. They are slaughtered by the thousands for their meat and scales.

### Pangolins and CITES

All eight species of pangolin are listed on Appendix II of CITES. The Asian species include the Chinese Pangolin, Sunda Pangolin, Indian Pangolin and Philippine Pangolin and the African species include the Giant Pangolin, Ground Pangolin, Tree Pangolin and Long-tailed Pangolin.

### The use of pangolin

In Asia pangolins are mainly poached to meet demand for their meat and for the use of their scales, made of keratin, like rhino horns, in traditional medicines. The key consumers are in China and Vietnam. The meat from pangolin fetuses is considered a delicacy. In Africa the animals are hunted for their meat, which are either consumed or traded as wild meat, and for their scales, which are used for cultural and ethno-medical purposes, including in traditional African medicine<sup>16</sup>.

<sup>16</sup> Challender, D.S., Hywood, L., “African pangolins in Asia”, *TRAFFIC Bulletin*, Vol. 24, No. 2, 2012.

## Smuggling

Members in Asia reported the biggest seizures of live pangolins and pangolin meat. In August 2013 Vietnam Customs discovered more than six tonnes of live pangolins inside a maritime container shipped from Indonesia. In two separate incidents Hong Kong Customs seized 5,565 kg of pangolin meat at the airport. One shipment with 4,633 kg of pangolin meat arrived from Indonesia, while the other shipment with 932 kg of meat and 312 kg of pangolin scales was shipped from Singapore. Occasionally pangolin meat is seized at European airports from air passengers and air cargo arriving from Central Africa.

During a rescue mission of a Chinese fishing vessel in April 2013 the Philippines Coast Guard discovered more than ten tonnes of frozen pangolins in the cargo hold of the vessel. The Chinese crew claimed that the vessel was returning to China from Malaysia.

In order to meet the high demand for pangolin scales in Asia, to be used in traditional medicines, pangolins are poached in Africa and the scales are smuggled to Asia. To harvest one kilogram of scales three to four animals are killed. The scales are mainly shipped by air cargo, express courier and carried by passengers from Central and Western Africa to China and Hong Kong (China). Customs at major European airports, in particular at Brussels Airport, Frankfurt Airport and Paris Charles de Gaulle Airport reported dozens of seizures of pangolin scales en route from Africa to Asia. Several hundred kilograms of pangolin scales destined for Asia were seized by Customs officers at airports in Cameroon and Mali. In October 2013, the Kenya Revenue Authority impounded 534 kg of pangolin scales discovered in a container from Uganda en route to Malaysia.



Stuffed birds seized during an investigation by Finnish Customs  
Photo courtesy of Finnish Customs

## Case Birdie<sup>17</sup>

In October 2011, the investigation officers of Vaasa Customs received intelligence information that a person under investigation had business transactions with a Finnish man based in Ostrobothnia. The business between the two men involved some bird eggs collected from the natural environment and their import/export between Finland and Sweden.

Vaasa Customs filed a report of an offence in the matter and set up a team for the preliminary investigation of the case. In addition to investigation officers from Vaasa Customs, the team included an investigation officer from Turku Customs and a biologist from the Centre for Economic Development, Transport and the Environment for South Ostrobothnia.

A search was conducted in the living quarters and business facilities of the suspect, resulting in the seizure of about nine to ten thousand empty bird eggs along with about 70 stuffed animals, mostly birds. Furthermore, a freezer containing almost 200 dead animals, most of which were birds, was found in the suspect's business facilities. Customs also seized an egg of the bird *Aepyornis maximus*, which had been acquired from

<sup>17</sup> Information provided by Finnish National Board of Customs.

Madagascar. The egg in question is of the elephant bird which became extinct in Madagascar approximately 400 years ago. The export of these eggs from Madagascar is strictly forbidden by the country's legislation.

The investigation has found that the suspect collected the eggs of protected birds from their natural environment for several years when birds were hatching and emptied the eggs whose contents ranged from early-stage embryos to more developed chicks. The eggs were collected in Finland, Sweden, Norway, Iceland, Estonia and the United States. The activity of the suspect was at its busiest in 2009, and the last time he collected eggs was in 2011 just before he was caught. In Finland, the suspect collected bird nests in various locations including nature reserves.

The investigation has revealed that the suspect took some of the eggs to similar collectors in Sweden and imported collections of bird egg clutches and individual egg clutches bought from collectors in Sweden and other countries.

The activity had been sustained for years, which requires extensive skills. The suspect did not have a permit from any authority to collect, possess, import or export bird eggs. Moreover, he did not have a permit to receive or possess protected birds or other animals or their parts or derivatives.

Some of the concerned bird species are subject to CITES legislation, and some of them are protected by the Finnish Nature Conservation Act. As the activity of the suspect has obviously been illegal, all animal species removed from their natural environment as well as their derivatives will be subscribed indemnity values based on the decision by the Finnish Ministry of the Environment. These advisory indemnity values are meant to compensate the damage caused to the natural environment through the criminal offence. The bird eggs seized from the suspect total a final indemnity value of around EUR 600,000. The indemnity system used in Finland is exceptional in the global context, and has attracted a great deal of attention in the countries cooperating in the investigation.

Some of the birds found in the suspect's freezer were sent to Evira (the Finnish Food Safety Authority) for

examination. According to statements from Evira, some of the birds had been killed by shooting.

The international examination into the legal status of the *Aepyornis maximus* egg is still underway. The egg was imported in breach of tax regulations, as VAT should have been paid for it as regards its trade price and freight. In this respect, Finnish Customs is considering the imposition of taxes in the matter.

In September 2012, Customs seized about 700 bird eggs from the possession of a man living in the Uusimaa region in connection with the investigation. In addition, a few stuffed birds were seized. It became apparent in the preliminary investigation that the man in question had stuffed and sold a few dozen birds of protected species. For this investigation, the indemnity prices set by the Ministry of the Environment amounts to approximately EUR 100,000.

This suspected criminal case is exceptional in Finland and noteworthy within Europe. The case uncovered in Finland is a part of trans-national crime which can be traced to the United Kingdom and extended to Sweden and Finland.

Consideration of charges in the matter took place in 2013. The legal proceedings will be highly interesting in many respects because there is no precedent of a case of similar scale in Finland, and because it concerns extensive legislation and the operations of various authorities. The diversity of expert statements alone says a lot about the case, as statements have been requested from the Finnish Environment Institute, the Finnish Wildlife Agency, the Centre for Economic Development, Transport and the Environment for South Ostrobothnia, the Ministry of Agriculture and Forestry, the Ministry of the Environment, Evira and the University of Helsinki, to name a few parties.

An efficient preliminary investigation is greatly hindered by the fact an aggravated type of commission is not provided for by legislation as regards nature conservation offences. The criminal case in question has also been introduced to the incumbent Minister of Justice, and it remains to be seen if any necessary changes will be made to the legislation on environmental protection and crime.

## 20 Years of Dedication towards Conservation: Biodiversity, Cultural and National Heritage Protection Branch of Sri Lanka Customs<sup>18</sup>.



*Biodiversity, Cultural and National Heritage Protection Branch of Sri Lanka Customs*

*Photo courtesy of Sri Lanka Customs*

The Biodiversity, Cultural and National Heritage Protection Branch of Sri Lanka Customs commemorated its 20<sup>th</sup> anniversary on 17 July 2013. It is the world's first specialised office within a Customs administration with the specific task of safeguarding the environmental and cultural heritage of a country.

Sri Lanka is recognised as a Biodiversity Hotspot. The rich archaeological and cultural heritage of Sri Lanka, dating back to 2,500 years ago, is now threatened severely by trafficking. It is a national, as well as a global, responsibility of Sri Lanka to take adequate steps towards conserving its rich biodiversity and cultural heritage.

Against this backdrop, Sri Lanka Customs took the initiative to establish a specialised unit called the Biodiversity Protection Unit

(BPU) in 1993, which is now recognised as the Biodiversity, Cultural and National Heritage Protection Branch (BCNP), functioning under the Enforcement Cluster of Sri Lanka Customs. The legislative power to act on trans-boundary environmental and archaeological crimes was provided to the BCNP through the provisions of the Customs Ordinance (Chapter 235) No. 17 of 1869, as amended.

While it rendered expert assistance to other States' agencies in conducting investigations related to wildlife crime, BCNP was involved in many seizures including sandalwood, sea horses, endangered plants, CITES-listed species and pangolin scales, etc. In addition, numerous artefacts which are of archaeological and cultural importance, such as ancient coins, pottery, statues, cloths and manuscripts, were seized

during the attempt to smuggle them out of the country. BCNP uses self-developed risk profiles, databases and identification manuals as resource materials when conducting investigations. It is proposed to set up a mini-laboratory to conduct essential analysis. BCNP's achievement towards environmental protection has been recognised on many occasions, including receiving an Environment Success Story award. The founder of the BPU, Mr. R.S. Gunasekara, who is presently the head of the BCNP, received the President's Environmental Award – 2004 for outstanding contribution to the environmental sector.

The BCNP organised a forum for gap analysis, comprising the Customs, Forest, Wildlife, Quarantine, Fisheries and Archaeology Agencies etc. to discuss issues arising at the time of import and export of biodiverse and archaeologically important articles. As a result, important decisions were made to streamline existing legal gaps to effectively combat trans-boundary wildlife and archaeological crimes. In addition, the BCNP conducts officer training, research, publication and raises public awareness to prevent environmental crimes and facilitate legitimate trading. Furthermore, the BCNP maintains a substantial repository of artefacts comprised of wildlife products and archaeologically important articles seized over the past 20 years. Some of those specimens are not even available in the National Museum of Sri Lanka. The unique collection of confiscated items will be put on public display in the Customs Museum which is scheduled to be opened shortly.

<sup>18</sup> Information provided by Sri Lanka Customs.



*Red sandalwood concealed in carpets*



*Photos courtesy of United Kingdom Border Force*

## ILLEGAL LOGGING AND ILLEGAL TRADE IN TIMBER

It is widely accepted that forests are under severe pressure from logging and illegal trade in timber, mostly driven by strong demand from developed countries and emerging economies. The illegal timber trade may take many forms, such as violations of CITES, attempted bribery, duty or tax evasion, exports in violation of licensing, and/or the production of fraudulent documents both in exporting and importing countries. There have been some reports indicating the involvement of trans-national organised criminal groups with sophisticated methods operating on an industrial scale, widespread corruption, as well as semi-legitimate large companies involved in unethical activities. The illegal logging and timber trade not only damage the environment, but also result in reduced profitability for the legal trade, loss of government revenue and foreign income. Illegal logging operations have also, in some cases, involved violence and threats against indigenous people. Deforestation also threatens many endangered species, such as great apes. The majority of illegal logging takes place in the forests of the Amazon basin, Central Africa and Southeast Asia. Primary importers of illegal logs or wood products are alleged to be China, Japan, the EU and the USA.

There is no international convention controlling the trade in timber, although some timber species fall under the CITES Convention. However, some countries (e.g. US Lacey Act) and the European Union (i.e. EU

Timber Regulation) have taken a number of unilateral measures to reduce illegal logging and exclude illegal timber products from their markets.

Customs across the globe reported significant seizures of timber. In Asia mainly red sandalwood (CITES Appendix II) was seized. In June during a transnational controlled delivery operation involving Customs in China, Hong Kong, China and India, two target containers loaded with seven tonnes of red sandalwood were seized in Xiamen, China. A further 19 tonnes of the logs were recovered in the subsequent investigation by China Customs. Between October and November 2013, Singapore Customs worked together with the Agri-Food & Veterinary Authority and conducted a series of operations resulting in the seizure of three containers of 45 tonnes of red sandalwood. The consignments were transiting through Singapore from India and were falsely declared as "hot lime pickles" and "casting wheels". India Customs managed to intercept four containers with 132 tonnes of red sandalwood before they could be smuggled out of the country, in October 2013. An attempt to smuggle 1,055 kg of red sandalwood, concealed in the false bottom of a truck, from India to China was foiled by Customs and police in Nepal. In the Port of Jebel Ali, UAE, Dubai Customs detected several containers with red sandalwood en route from India to the Far East.

In 2013 Mexico Customs seized 479 tonnes of protected rosewood in seaports across the country. The Port Control Unit in the Port of Manzanillo,

Panama, established under the UNODC-WCO Container Control Programme stopped five containers with rosewood before their export to China and Hong Kong (China). In Iquitos, Peru, Customs officers intercepted several vessels loaded with protected and regulated timber.

Precious wood is not only smuggled in large quantities using trucks, containers and vessels but also in air cargo, express courier and air passenger luggage. In July 2013, 725 kg of red sandalwood were seized at the airport in New Delhi, India, from 29 passengers. The timber was recovered in the form of small cut logs from their luggage by Customs. This group of passengers was about to board a flight to China. In the same month 11 passengers carrying 308 kg of red sandalwood in their luggage were intercepted by Customs at Mumbai Airport. Hong Kong Customs reported several seizures of red sandalwood from passengers arriving on flights from India. Officers from the United Kingdom Border Force at London Heathrow Airport identified and intercepted several consignments with red sandalwood arriving from India. The weight of the shipments ranged between 20 kg and nearly two tonnes. In most cases smugglers relied on misdeclaration of goods. In two cases the logs were concealed in the middle of rolled up carpets. The consignments were destined respectively to Greece, Hong Kong (China), and Portugal and the United Kingdom.



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## ILLEGAL TRADE IN MINERALS

The illegal trade in minerals (i.e. tungsten, tin and tantalum), gold and rough diamonds has a severe impact on governance, national security and the economic development of States.

- An illicit outflow/drainage of capital out of weak economies in different African states further limits their abilities to fight poverty and spur economic growth;
- The illegal profits generated may be used to fuel armed conflicts, the activities of terrorists and of rebel movements and the illicit trade in and the proliferation of arms with devastating consequences for the governments and the societies in this regions;
- Illicit funds may be used to finance other criminal activities such as drug trafficking;
- The investment of ill-gotten gains into legitimate markets undermines/weakens existing legitimate businesses and economic structures, and also has the criminal element of money laundering;
- Revenue losses.

## Operation Cullinan

Operation Cullinan, organised by the WCO, targeted mainly rough diamonds subject to the Kimberley Process (KP) Certification Scheme – the trade in rough diamonds is permitted between participants of the Kimberley Process Certification Scheme only on the basis of authentic KP certificates – and focused on air passengers, postal and express courier shipments.

31 Customs administrations in Africa, Asia/Pacific, Europe and North America participated in this global enforcement initiative. In the pre-operational phase, Portuguese authorities seized 9 kg of industrial diamonds at Lisbon Airport. No additional cases were reported during the operational phase.

Rough diamonds are relatively easy to conceal (low volume and weight) and therefore difficult to detect during Customs controls. The illegal trade in rough diamond remains a challenge for Customs. A coordinated approach involving all stakeholders is required to tackle the illegal trade in rough diamonds.



# IPM

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Machinery to manufacture counterfeit watches intercepted with manuals

Photo courtesy of Uruguay Customs

# SECTION 3.

# IPR, HEALTH AND SAFETY

*For Customs enforcement in counterfeiting and piracy, 2013 became a year when counterfeit products reported by Member countries hit the alarming level of 3 billion units, stressing the gravity of the situation. This tremendous increase in the number of counterfeit items is partly due to the success of two large-scale enforcement operations. Being aware that these figures represent only the tip of the iceberg, the Customs community and the WCO are determined to carry on their efforts in combating counterfeiting and piracy.*

## INTRODUCTION

The statistical part contained in this Section outlines the main trends on a global scale in intellectual property rights (IPR) and health and safety field, on the basis of seizures reported in CEN by 69 countries, either by direct entry in the CEN database or by submission of data files to the Secretariat. The report also takes into account the remarkable results obtained during Operation Biyela, which were subsequently entered into the CEN database.

The data has been analysed, as in previous years, by reporting countries, types of commodities, brands, departure and destination countries, type of Customs seizure and seizure location.

As the intellectual property rights and health and safety programme gathers the most diverse lines of commodities, including clothing, accessories, food-stuffs, pharmaceuticals, pesticides, spare parts, construction materials, electronics, etc., reporting countries have come across a large spectrum of units (containers, cartons, packages, boxes, tablets, blisters, pairs, kilograms, metres, litres, etc.) which have all been converted into either pieces (the vast majority of the cases) or kilograms according to the conversion guidelines set out in Appendix<sup>1</sup>.

<sup>1</sup> For other details on how the data was gathered please refer to the Introduction of the Report.

# ANALYSIS OF IPR SEIZURES

## Reporting countries

Compared to 2012, a significant increase in the number of countries reporting data (69 as opposed to 58 last year), as well as the number of cases, has been registered (see Chart 1). Whereas there were 22,543 registered cases in 2012, this figure came to 24,092 in 2013. These cases account for a total of 3,044,750,738 pieces and 1,023,376 kg of goods suspected of infringing intellectual property rights or failing to meet national standards.

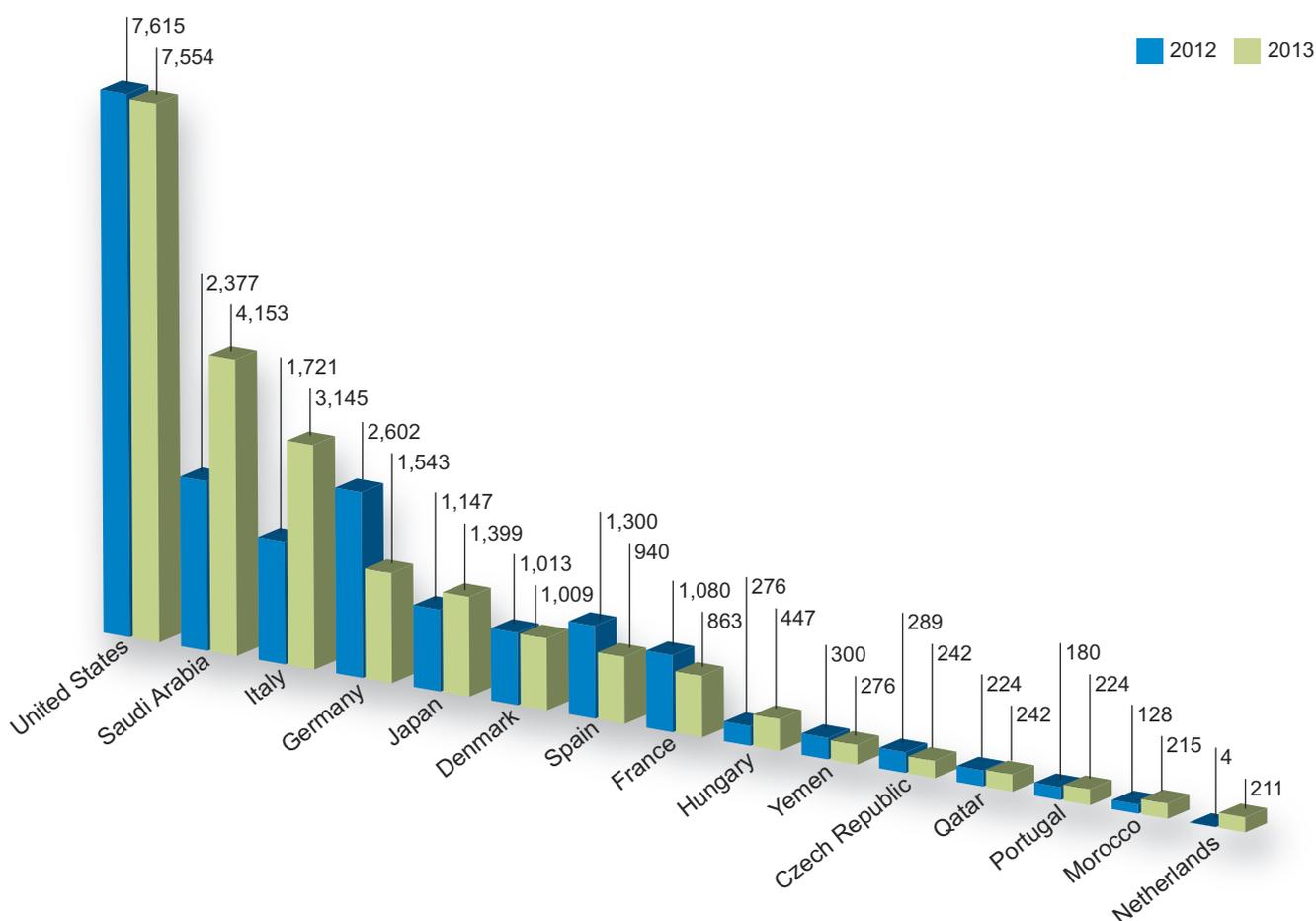
The United States remains the country reporting the highest number of cases (7,554), accounting for 33.63 percent of all cases, followed by Saudi Arabia (4,153) and Italy (3,145), whereas Germany registered a quite

significant drop compared with last year (1,543 in 2013 and 2,602 in 2012). However, when analysing the countries which reported the highest number of intercepted pieces (see Table 1), the situation changes dramatically, with Angola ranking first, and accounting for almost 50 per cent of the total number of pieces (1,502,418,418), followed by the Democratic Republic of the Congo (1,115,343,026 pieces; 36%) and Togo with a distant third position (148,065,336 pieces; 4.86%). This is due mainly to the significant detentions in illicit medicines<sup>2</sup> reported during Operation Biyela<sup>3</sup>.

## Commodities

One of the striking features of 2013 data on counterfeit and piracy is that more than half of the reported intercepts were illicit pharmaceutical products, followed by counterfeit electronic appliances and illicit

Chart 1. Top 15 countries by number of cases



<sup>2</sup> Illicit medicines include, aside from counterfeit products, medicines that lack legal marketing authorisations or they are not compliant with the national health regulations' provisions.

<sup>3</sup> Please note that some of the cases listed in this report (mainly cases involving illicit medicines) will not be found in the excerpt from the Biyela report as the latter does not take into account a number of cases which were not ultimately seized, but were nevertheless included in the CEN database.

**Table 1. Top 15 countries by quantity (pieces)<sup>4</sup>**

| Reporting country                | 2012              | 2013                 |
|----------------------------------|-------------------|----------------------|
| Angola                           | -                 | 1,502,418,418        |
| Democratic Republic of the Congo | -                 | 1,115,343,026        |
| Togo                             | -                 | 148,065,336          |
| Saudi Arabia                     | 25,538,376        | 88,221,337           |
| Madagascar                       | -                 | 59,350,590           |
| Cote d'Ivoire                    | -                 | 26,357,613           |
| Kenya                            | -                 | 17,246,130           |
| United States                    | 10,423,046        | 16,501,136           |
| Namibia                          | -                 | 10,271,468           |
| Benin                            | -                 | 8,869,200            |
| Cameroon                         | -                 | 7,454,520            |
| Nigeria                          | -                 | 6,240,000            |
| Italy                            | 5,371,118         | 3,628,938            |
| Morocco                          | 1,018,482         | 3,595,401            |
| Germany                          | 1,125,386         | 2,996,214            |
| <b>Total (out of 15)</b>         | <b>43,476,408</b> | <b>3,016,559,327</b> |

foodstuffs – all of which threaten consumer health and safety (see Table 2). When analysing the data in terms of quantity, pharmaceuticals are by far the most numerous commodity reported by WCO members with 2,325,247,466 pieces accounting for 76.37 per cent of all goods. It is a major change compared to last year, when pharmaceuticals accounted for only 10.21 per cent. Again, this reflects the outstanding results obtained by countries in the West and South African regions during operation Biyela, mainly aimed at targeting and intercepting illicit medicines. Medicines are followed by electronic appliances (470,821,728 pieces; 15.46%) which indicates a dramatic increase in commodities endangering the health and safety of consumers. Many Customs administrations also reported counterfeit and piracy cases in toys, games and school supplies drawing much attention because of the potential health risk for children caused by sub-standard quality.

A significant number of seizures<sup>5</sup> refer to commodities labelled as "Other" (ranking third in the top, 95,242,873 pieces; 3.13%), covering various goods such as construction materials, glassware, furniture and



74.5 kg of Tadalafil (patented ingredient for erectile dysfunction medicine) was intercepted by Mexico Customs

Photo courtesy of Mexico Customs



Interception of anti-malarial medicines (Medik 55) by Togo Customs (37,206,080 pieces)

Photo courtesy of Togo Customs



Toys intercepted by Panama Customs

Photo courtesy of Panama Customs

<sup>4</sup> Countries not listed in the table for the year 2012 have not submitted data for the respective year.

<sup>5</sup> When analysing commodities, the reference is to "seizures" as opposed to "cases" as one case can contain multiple seizures, i.e. multiple lines of commodity.

musical instruments, etc. which were not included in the standard list of commodities.

The value of the commodities listed in Table 2 must be interpreted with caution as pricing policies differ from country to country. Moreover, there were a number of cases where the value was not specified in the database as it was either unknown or difficult to estimate.

## Brands

IPR detentions in 2013 included the most diverse palette of counterfeit brands, amounting to over 1,000 different trademarks. Nike came first in the top 15 most counterfeited brands in 2013, as opposed to last years' first place which was represented by Cialis (see Chart 2). Most of the brands in the top 15 this year are also found in the equivalent ranking produced last year, with the exception of three new big players emerging in 2013: Samsung, Michael Kors and OtterBox.



Counterfeit purses concealed in a passenger's suitcase

Photo courtesy of Angolan Customs

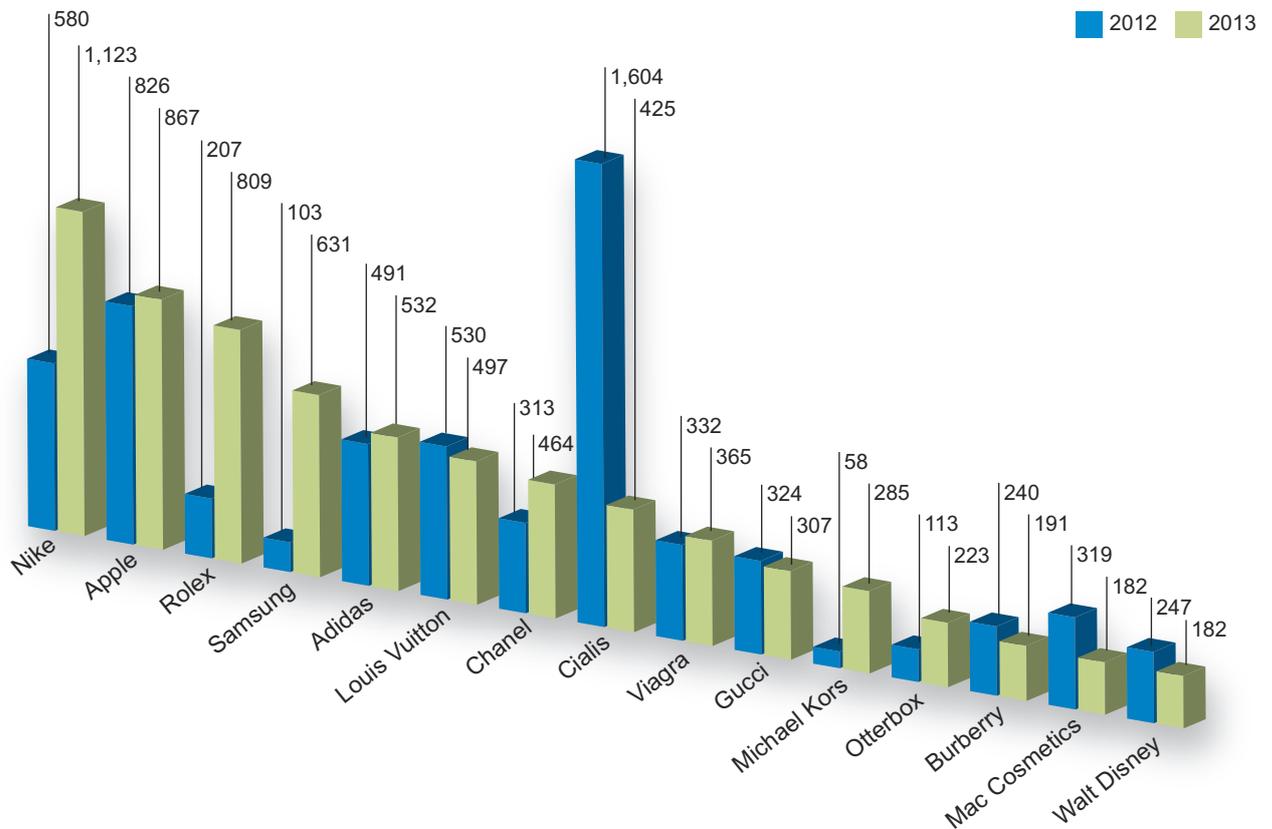
Whereas the first brand in terms of numbers of pieces is a cigarette one (Supermatch, due to a large interception carried out in Togo, during Operation Biyela<sup>6</sup>, a significant part of the brands ranked following this criteria was represented by medicines (9 out of 15), followed by automotive industry (Honda),

Table 2. Type of commodity by quantity and value

| Commodity   | Quantity (pieces)<br>2012 | Value (USD)<br>2012  | Quantity (pieces)<br>2013 | Value (USD)<br>2013  |
|---|---------------------------|----------------------|---------------------------|----------------------|
| Pharmaceutical products                                   | 4,140,318                 | 14,405,404           | 2,325,247,466             | 19,388,693           |
| Electronic appliances                                     | 3,423,896                 | 170,355,748          | 470,821,728               | 74,551,410           |
| Other   | 17,722,180                | 121,548,149          | 95,242,873                | 56,865,587           |
| Foodstuff   | 1,316,034                 | 6,924,247            | 50,338,796                | 5,715,238            |
| Clothing  | 12,090,266                | 111,511,445          | 32,877,929                | 115,400,776          |
| Transportation and spare parts                            | 4,120,790                 | 27,887,278           | 17,957,325                | 13,945,339           |
| Cigarettes  | 47,322                    | 214,095              | 17,636,183                | 21,819               |
| Accessories   | 6,712,922                 | 426,677,500          | 10,079,064                | 229,781,652          |
| Games and toys  | 3,505,486                 | 22,649,732           | 5,750,377                 | 28,882,956           |
| Toiletries/cosmetics                                      | 3,268,255                 | 60,318,717           | 5,663,822                 | 65,590,057           |
| Mobile phones and accessories                             | 1,736,595                 | 21,293,090           | 3,783,787                 | 24,427,504           |
| Footwear  | 2,352,318                 | 69,881,973           | 3,139,816                 | 112,530,010          |
| Computers and accessories                                 | 848,578                   | 11,493,152           | 2,227,604                 | 22,461,541           |
| Textiles other than clothing<br>(towels, bed sheets etc.) | 4,106,207                 | 8,653,485            | 1,716,023                 | 7,916,642            |
| Watches   | 602,911                   | 391,236,132          | 1,510,171                 | 229,694,582          |
| Phonographic products                                     | 3,929,684                 | 6,483,568            | 736,330                   | 6,112,419            |
| Soft drinks   | 0                         | 0                    | 11,580                    | 22,168               |
| Alcoholic beverages                                       | 24,041                    | 118,340              | 9,864                     | 179,522              |
| <b>Total</b>  | <b>69,947,803</b>         | <b>1,471,652,055</b> | <b>3,044,750,738</b>      | <b>1,013,487,915</b> |

<sup>6</sup> As it was undertaken during Operation Biyela, this interception is included only in the IPR programme and it will therefore not appear in the Revenue Section.

Chart 2. Top counterfeit brands by number of cases



Counterfeit Adidas T-shirts

Photo courtesy of Czech Republic

clothing (Seven Towns and Modern) and cosmetics (MAC) (see Table 3). Again, this analysis supports the significant results generated by large interceptions of pharmaceutical products during Operation Biyela. However, despite the alarming number of intercepted medicines, clothing commodities and brands remain in top 5 of all ranking lists, whether the criteria is made according to the number of cases, pieces or value.

Table 3. Top counterfeit brands by reported quantity

| Brand                    | Quantity (pieces)  |
|--------------------------|--------------------|
| Supermatch               | 40,000,000         |
| Medik-55                 | 37,206,080         |
| Zmc Hamburg GmbH Germany | 32,232,000         |
| Cefalex                  | 20,718,770         |
| Dr.Cold                  | 20,718,770         |
| Trama Z                  | 20,718,770         |
| Enacure                  | 20,718,770         |
| Zentral                  | 20,718,770         |
| Dexacot                  | 20,656,669         |
| Diabetaz                 | 20,656,665         |
| Honda                    | 15,033,671         |
| MGM                      | 12,519,000         |
| Seven Towns              | 12,484,800         |
| Modern                   | 10,270,000         |
| MAC cosmetics            | 9,306,458          |
| Duracell                 | 8,636,779          |
| <b>Total</b>             | <b>322,595,972</b> |

## Departure countries

In 2013 China emerged again as the main departure country for counterfeit goods when analysing data in terms of number of cases, accounting for almost half of the total number of cases (411,158 cases; 6.31%), followed by Hong Kong, China (5,954 cases; 24.71%) and India (957 cases; 3.97%). This outcome is very similar to the previous year's statistics, as Chart 3 demonstrates.

However, India ranks first when it comes to the number of pieces of goods (2,203,272,337 pieces; 72.57%) as a result of large consignments of medicines, intercepted at import by countries in Africa and the Middle East in particular. India is followed by China (639,203,975 pieces; 21.05%) and the United Arab Emirates (68,550,167 pieces; 2.26%). Please see Table 4 for more information.

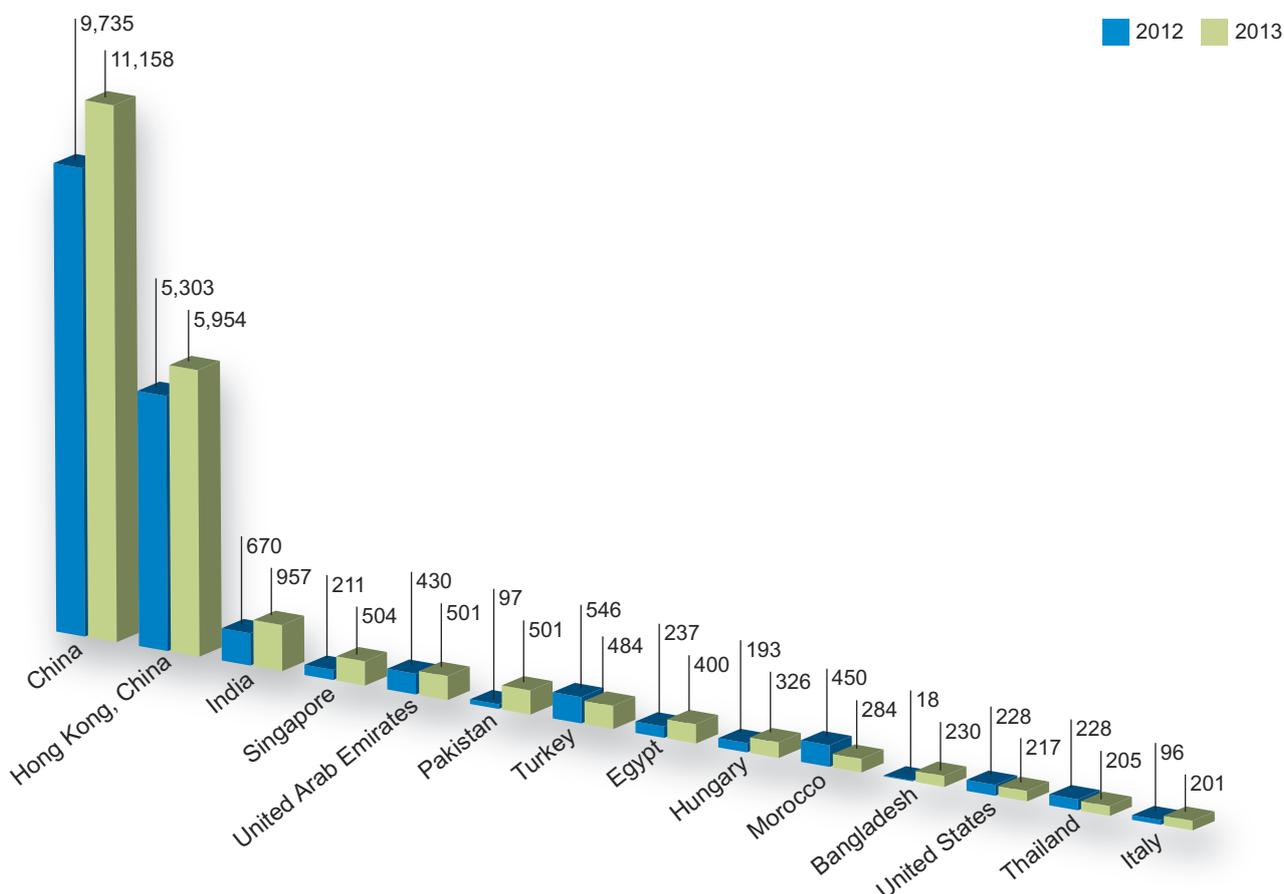
## Destination countries

In 2013, the United States remained the first country of destination by number of cases (6,332 cases; 30%).

Table 4. Departure country by quantity of detained commodity

| Departure country            | Quantity (pieces)<br>2012 | Quantity (pieces)<br>2013 |
|------------------------------|---------------------------|---------------------------|
| India                        | 2,435,416                 | 2,203,272,337             |
| China                        | 41,161,278                | 639,203,975               |
| United Arab Emirates         | 5,237,593                 | 68,550,167                |
| Vietnam                      | 1,583,263                 | 58,490,574                |
| Hong Kong, China             | 3,172,602                 | 10,057,133                |
| Hungary                      | 462,752                   | 2,060,126                 |
| Saudi Arabia                 | 417,926                   | 1,937,442                 |
| Nigeria                      | 161                       | 1,849,416                 |
| Indonesia                    | 1,851,248                 | 1,847,550                 |
| Poland                       | 113,690                   | 1,736,216                 |
| Turkey                       | 1,265,863                 | 1,585,382                 |
| Taiwan,<br>Province of China | 168,349                   | 1,364,091                 |
| Malaysia                     | 91,231                    | 1,049,687                 |
| Bangladesh                   | 219,870                   | 1,017,062                 |
| Belgium                      | 944,670                   | 944,670                   |
| <b>Total</b>                 | <b>59,125,912</b>         | <b>2,994,965,827</b>      |

Chart 3. Departure country by number of cases



These figures support the results listed in the analysis of the data on reporting countries as most often the reporting country is the country that intercepted the goods, i.e. the destination country (there are very few cases of transit and export detentions reported by Customs administrations, as shown in the “Customs Procedure” paragraph further below). As Chart 4 demonstrates, the United States is followed by Saudi Arabia (4,168 cases; 19.75%) and Italy (3,103 cases; 14.71%).

In terms of number of pieces, Angola and Democratic Republic of Congo rank first and second as destination countries (1,502,418,418 pieces; 49.97% and 1,115,343,366 pieces; 37.10% respectively), reinforcing the above mentioned outcome.

## Seizures by Customs procedure

As Chart 5 demonstrates, in 2013, the largest part of seizures of counterfeit goods took place at import (87.27%; 21,019 cases), followed by transit, with a distant second position accounting for 8.66 per cent (2,087 cases).

Chart 5. Number of cases by Customs procedure

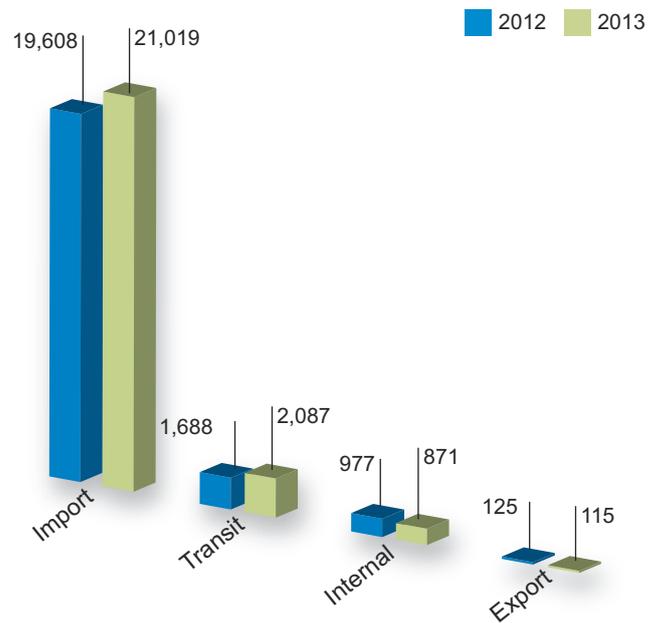
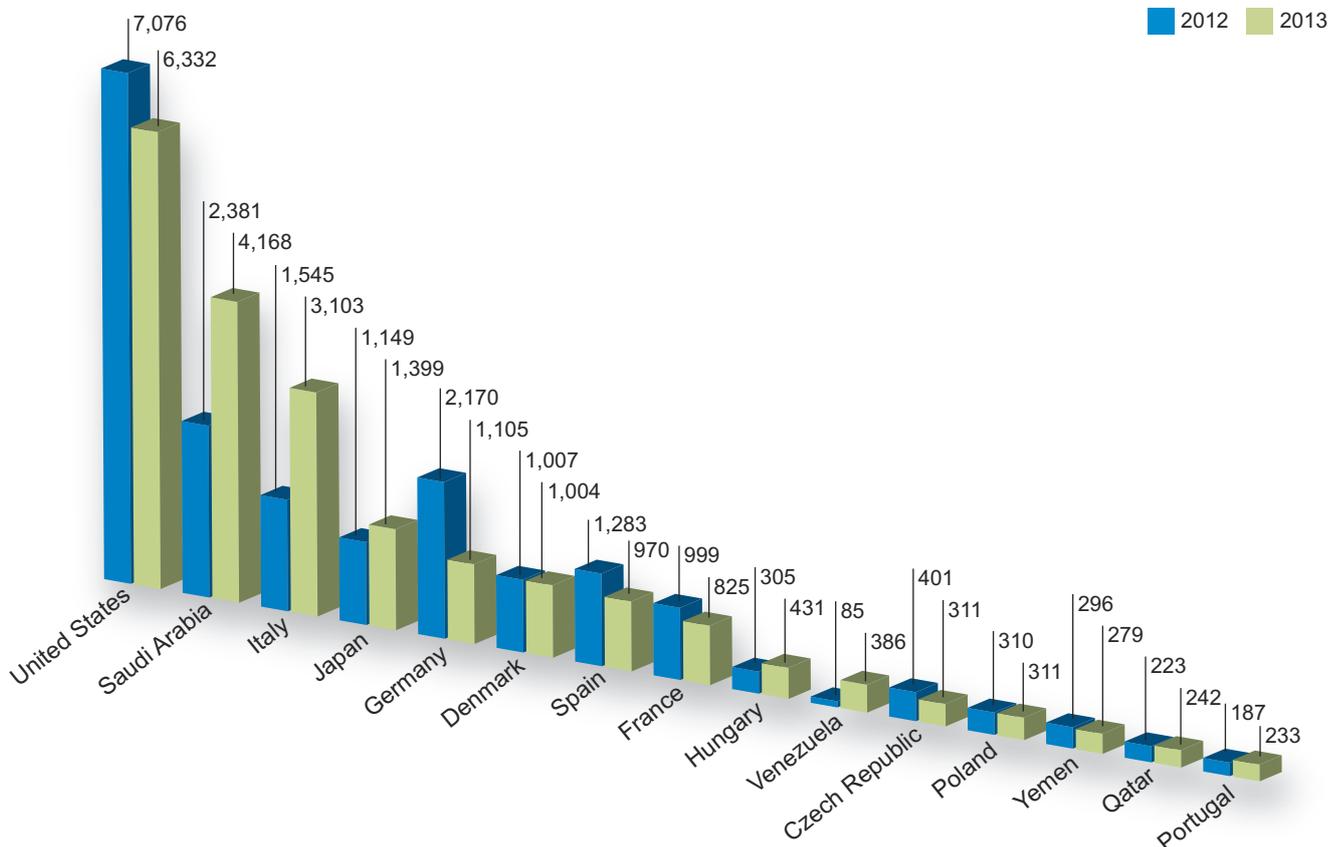


Chart 4. Destination country by number of cases



## Location of seizures/detentions

Around 44 per cent (10,605 cases) of all cases were intercepted in mail centres, followed by airports (5,603 cases; 23.2%) and seaports (5,127 cases; 21.28%), very similar figures to the ones registered last year (see Chart 6).

## Packaging and concealment methods

Regardless of the type of products, the packaging of counterfeit items often features some common traits: items wrapped with transparent vinyl film with no logo, bundled together with a rubber band in batches of 10 or 20 items and squashed into cheap cardboard boxes, often beyond their capacity. They also come as consolidated cargo apparently to reduce the risk of the whole container being seized. Hiding counterfeit items behind cover loads or deep inside the container is a common practice as well. These recurrent patterns



An attempt to conceal 5,000 units of counterfeit medicines in air-filter machines

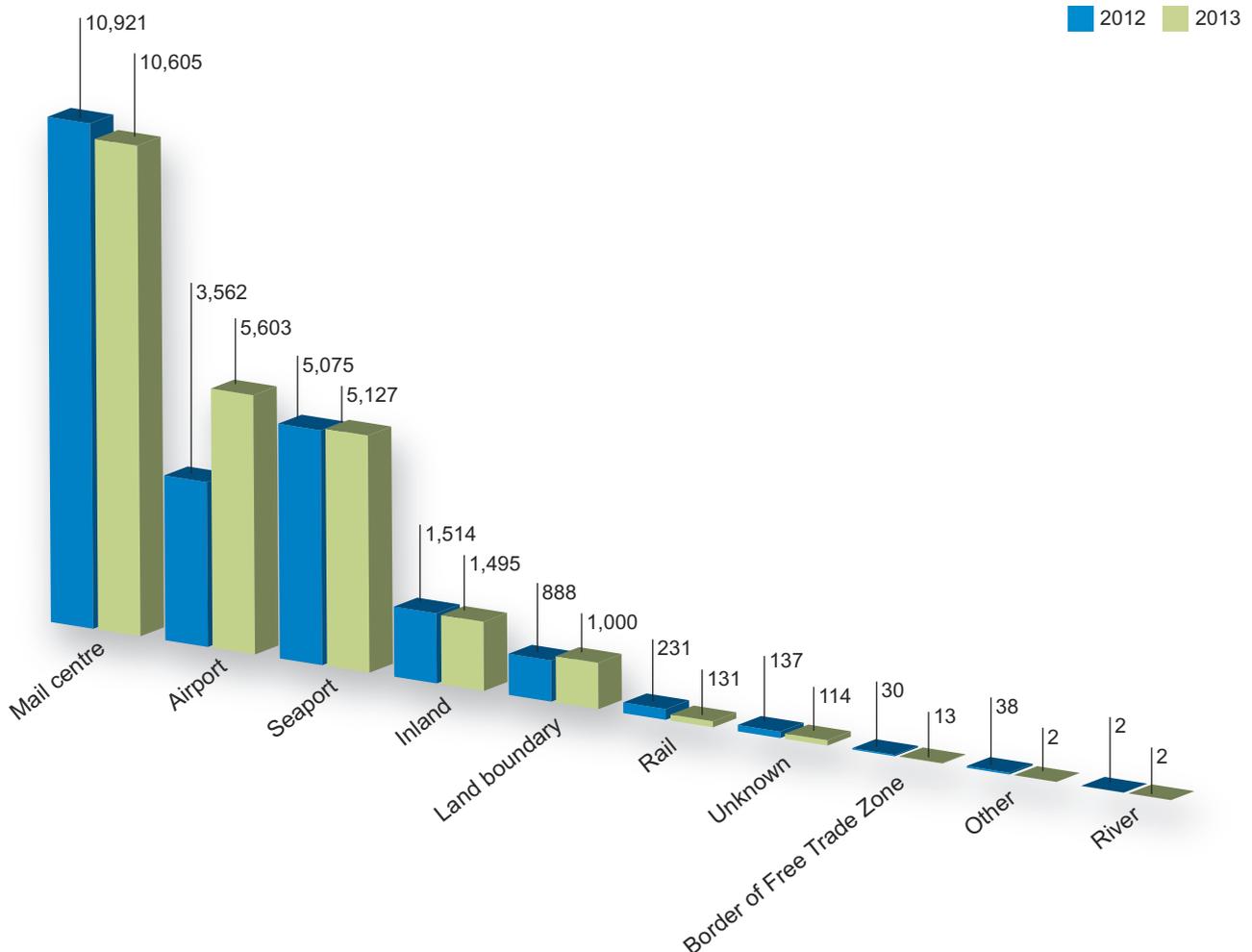
Photo courtesy of Hungarian Customs

were continuously observed in 2013. There were also several cases where offenders attempted to conceal and smuggle fake medicines in a discreet manner.

## Domestic assembly

Ironically, the more Customs intercept illicit items at the borders, the more effort counterfeiters put in

Chart 6. Detention location by number of cases





Typical way of packaging counterfeit products  
Photo courtesy of Mexico Customs



Pirated computer software discs in simple cardboard boxes  
Photo courtesy of Finland Customs

to avoid intervention. Domestic assembly is one of the most popular ways for offenders to try to circumvent Customs. Common practice is that small parts, shaped as a brand name, and blank products (sunglasses, wallets, hair accessories etc.), are imported separately, in the hope that at least the blank products will be cleared. It is also an often observed practice for multiple electronic parts, some with logos and some without, to be imported along with apparent manuals for putting together products such as watches and flat-screen TVs. These shrewd practices, though in different product categories, turned out to be popular and widespread across different parts of the world.



Inspector of Chile Customs found approximately 300,000 plastic logos of a famous optical brand along with sunglasses which did not carry logos

Photo courtesy of Chile Customs

## Combating Counterfeiting and Piracy: WCO Activities and Tools

Determined to protect consumers' health and safety, the WCO continues to combat counterfeiting and piracy through the following activities and tools.

### 1. Large-scale Operations

The WCO organises simultaneous enforcement activities with multiple Customs Administrations. The Operations intend to gauge the scale of global counterfeiting whilst providing participating Customs officers with hands-on experience. In 2013 WCO organised two large-scale operations: Operation Biyela in Africa and Operation Tigre 3 in Latin America. The impact of the substantial level of intervention in a short

space of time sends a strong message both to offenders and the general public.

### 2. National/regional seminars

The WCO delivers extensive capacity-building activities mainly in the form of legislative/operational training seminars. In 2013, the WCO conducted training seminars for officers of 75 member Administrations.

### 3. Interface Public Members (IPM)

Since its launch in 2010, IPM has supported the operational activities of frontline Customs officers in detecting counterfeit products. In 2014, the IPM mobile application will be introduced and is expected to further assist officers on the ground.

### 4. Counterfeit and Piracy Group Meeting

The biannual WCO Counterfeiting and

Piracy Group (CAP) meetings provide a platform for Customs and related law enforcement agencies to exchange information, experiences and best practices on combating counterfeiting and piracy.

### 5. Right Holders Consultative Group

WCO member Administrations exchange best practices and opinions with the private sector twice a year during the Right Holders Consultative Group.

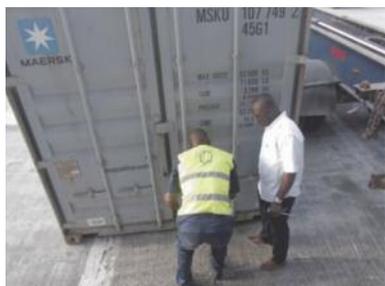
### 6. E-learning module

Using the WCO's Internet-based E-learning module, Customs officers can acquire practical knowledge on border enforcement related to IPR. They can train themselves on IP-related agreements such as the TRIPS agreement and practical risk-based document targeting.

## OPERATION BIYELA

Operations are key to the WCO's activities in the IPR sector, especially for products raising health and safety concerns. The objective is to join efforts to combat counterfeiting and piracy more effectively through enhanced enforcement methods and best practices. Operations are also an opportunity to use WCO tools such as CENcomm, a secure communication tool for the exchange of information, and IPM, an online database of product information designed to help Customs officers distinguish between fake and genuine goods, and to potentially detect smuggling trends through the analysis of results.

Operation Biyela was a joint enforcement Operation led by 23 African countries. Through its focus on fake medicines and other dangerous counterfeit products, Operation Biyela aims at protecting consumer health and safety.



Customs officers in action during the Operation

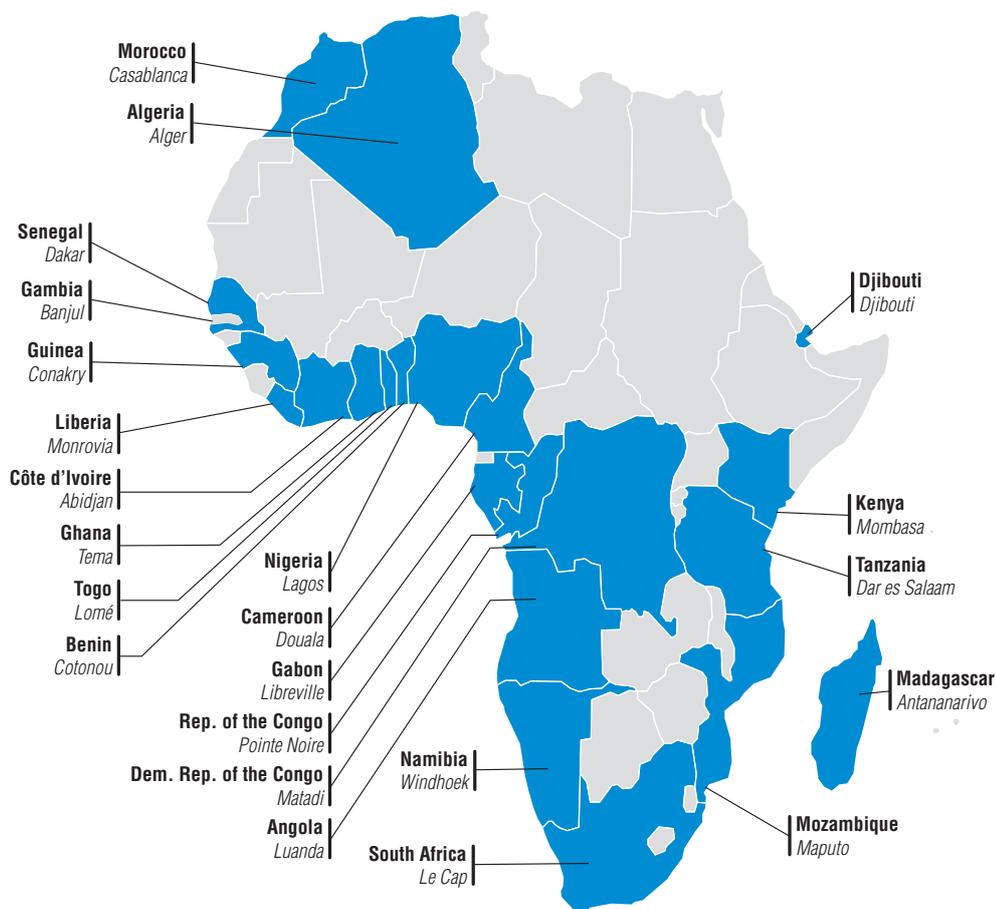


Fraudulent goods were often found at the back of containers

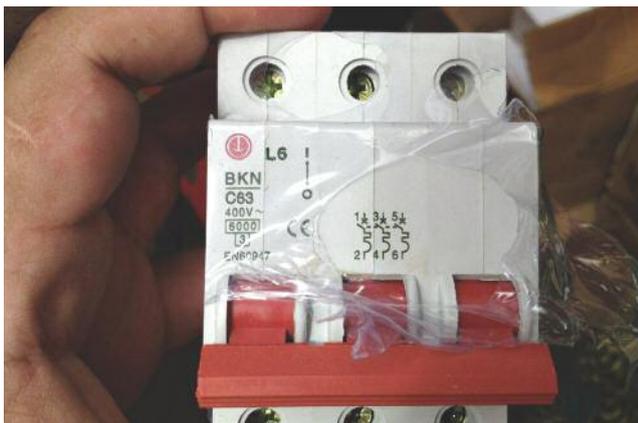
## 'Encircle' offenders

The Operation was named Biyela from the Zulu word meaning 'encirclement' to reflect the geographical coverage of the operation along the coasts of Africa. The Operation was rolled out in two phases. Phase one consisted of a pre-Operation 3-day workshop in Lomé, Togo. During this time, a selected number of Customs officers from all participating countries were provided with in-depth training techniques. Phase two, the actual Operation, took place over 10 days in April 2013 in the main seaports of participating countries, with the previously trained Customs officers and their assigned WCO IPR-accredited expert.

Following the 10-day Operation, participating Customs administrations intercepted 1,135,302,883<sup>7</sup> pieces of illicit products. Pharmaceutical products accounted for around 49 per cent, and electronic appliances for about 40 per cent of the total amount of intercepted goods. These two categories of goods, with a total of



<sup>7</sup> Please note that some of the cases listed in the statistical part of this Report (mainly cases involving illicit medicines) will not be found in this Section as the latter does not take into account a number of cases which were not ultimately seized, but were nevertheless included in the CEN database.



Electric appliances intercepted in DRC

Photo courtesy of the Customs of the Democratic Republic of the Congo



Sweets intercepted in Togo

Photo courtesy of Togo Customs

1,016,366,373 units intercepted, account for about 89 per cent of the total amount intercepted, while the remaining 11 per cent are divided into 14 categories of products (see Table 5).

During Operation Biyela countless types of pharmaceutical products were intercepted (see Table 6). Top of the list includes antibiotics, diet supplements, anti-malaria pills, painkillers and anti-inflammatory treatments. Clearly, no medicine is safe from counterfeiting. Whatever the treatment, there is always a risk for the medicines to be counterfeit. Even more frightening is the fact that the most infringed product categories are the ones that ordinary people use for general purposes in their daily lives.

Faced with the dangers of counterfeit medicines, victims no longer account for a small portion of the population – everyone is at risk.

## Modus Operandi

As in other types of Customs violations, offenders trying to trade counterfeit products use every possible way to avoid intervention. In Operation Biyela various methods were observed. Putting counterfeit goods deep in the container or behind legitimate goods is one of the most classic and easy ways of trying to deceive Customs. False import/export declarations is also a widely popular method. Further to these traditional concealment schemes, new types of modus operandi can be observed. Sending parts of counterfeit items and assembling them domestically is one of these new trends.

Table 5. Types of goods by quantity seized

| Type of goods                | Quantity (pieces)    |
|------------------------------|----------------------|
| Pharmaceutical products      | 558,608,805          |
| Electronic appliances        | 457,757,568          |
| Cigarettes                   | 50,270,000           |
| Foodstuff                    | 31,095,792           |
| Transportation & spare parts | 16,270,970           |
| Other                        | 14,442,327           |
| Accessories                  | 2,028,070            |
| Toiletries/cosmetics         | 1,944,601            |
| Mobile phones & accessories  | 1,156,041            |
| Textiles                     | 642,262              |
| Watches                      | 459,000              |
| Phonographic products        | 267,400              |
| Clothing                     | 184,244              |
| Games & toys                 | 134,184              |
| Footwear                     | 38,789               |
| Computers & accessories      | 2,830                |
| <b>Total</b>                 | <b>1,135,302,883</b> |

Table 6. Types of medicines by quantity seized

| Drug category                    | Quantity (pieces)  |
|----------------------------------|--------------------|
| Antibiotics                      | 73,472,400         |
| Dietary supplements              | 47,688,330         |
| Anti-malaria treatment           | 37,206,080         |
| Painkillers                      | 24,396,090         |
| Anti-inflammatory treatment      | 23,656,669         |
| Diabetes treatment               | 20,904,665         |
| Allergy treatment                | 20,660,645         |
| HIV/AIDS treatment               | 2,100,000          |
| Epilepsy treatment               | 1,000,000          |
| Blood pressure/cholesterol/heart | 665,700            |
| Other/unknown/unspecified        | 306,858,226        |
| <b>Total</b>                     | <b>558,608,805</b> |

## INTERFACE PUBLIC MEMBERS (IPM)

Since its launch in 2010, the WCO online anti-counterfeiting tool IPM has become a real communication hub between Customs officers on the ground and the private sector by allowing them to exchange crucial information in real time in order to intercept counterfeit goods.

During the last year, IPM welcomed some 20 new Member countries thereby confirming its stronger international visibility and added value in the fight against counterfeiting. Increasingly attracting more countries, IPM now counts 71 Members and many others regularly express their interest in implementing the system in their countries.

The increase in the number of Members can also be explained by the launch of the mobile application, scheduled for 2014. Field Customs officers will access IPM via their mobile devices and retrieve all relevant information contained in the database. Several new features have been added to the mobile version such as the possibility to send or receive alerts regarding the possible shipment of counterfeit goods and, when faced with suspicious merchandise, Customs officers can contact right holders immediately and upload photos of the products in question.

This new version also offers the possibility to use mobile devices to scan industry-standard GS1



barcodes found on millions of products, enabling Customs officers to search the product database in a more time-efficient manner. The unique product identifier embedded in the GS1 bar code will facilitate access to multiple databases providing trusted sources of product information.

Furthermore, scanning the barcodes will enable automatic connection to any authentication services linked to the product controlled. This new feature is known as IPM Connected – a global network of security features providers (SFP) interfaced with IPM. To date, IPM counts over 10 Connected solutions and this number is increasing steadily. With this growing network of SFP, the number of right holders to join IPM is also seeing a boost with over 700 brands currently in the system, covering a wide range of industry sectors from pharmaceutical, foodstuffs and pesticides, to fast-moving goods and luxury items.

For further information and latest news please visit the IPM website [www.wcoipm.org](http://www.wcoipm.org)

## APPENDIX. UNIT CONVERSION RULES

In the original data, various units (e.g. piece, unit, pair, kg, litre, drum, carton, box, set, etc.) were used to report the quantity of seized/detained goods. For the convenience of analysis, these units have been converted into (1) pieces and (2) kg in accordance with the following rules.

### (1) Pieces

- 1 pair, set (of gloves, earrings, footwear, socks, jeans, etc.) = 1 piece
- 1 tablet (of pharmaceutical products) = 1 piece
- 1 blister (of pharmaceutical products (e.g. Viagra)) = 4 tablets = 4 pieces
- Square metres (of textile products) 100 metres = 1 piece
- 1 bottle (of perfume and other toiletries) = 1 piece
- 1 box, carton, container, etc. =
  - a) Take the average price of similar goods in the same country (if not applicable, the regional average and if not, the global average) in the same year per piece in US dollars (e.g. 10 USD per piece for commodity A).
  - b) Calculate the price of the item in question per unit (e.g. 1,000 USD per box of commodity A).
  - c) Divide the value calculated in b) by a) and obtain the estimated quantity of the item (e.g. 1,000 divided by 10 = 100 pieces).
  - d) If the figure calculated in a) is smaller than the figure in the original unit, then take the original unit as a piece.
- For the conversion of liquids (litres), the following rules apply:
  - a) If perfume, 100 ml = 1 bottle = 1 piece. 1 litre = 10 pieces of perfume.
  - b) If shampoo, 200 ml = 1 bottle = 1 piece. 1 litre = 5 pieces of shampoo.
  - c) If soft drinks, 500 ml = 1 bottle = 1 piece. 1 litre = 2 pieces of soft drinks.
  - d) If spirits or wine, 750 ml = 1 bottle = 1 piece. 1 litre = 1.33 pieces of spirits.
  - e) If ethyl alcohol or motor oil, 1 litre = 1 bottle = 1 piece.
  - f) If refrigerant for a car, 350 ml = 1 bottle = 1 piece.
- 1 packet (of cigarettes) = 20 pieces
 

For tobacco products, the following rules apply:

  - a) Calculate the value per piece (tobacco is reported in pieces)
  - b) If the value calculated in a) is below 1 USD, it could be one cigarette stick
  - c) If the value a) is between 4-10 USD, 1 piece could be 1 packet (= 20 cigarette sticks)
  - d) If the value a) is around 80 USD, 1 piece would be 1 carton (= 10 packets = 200 cigarette sticks)

### (2) Kg:

- 1 metric ton = 1,000 kg
- 1 drum = 200 kg

# Enhance Government revenue

## Protect consumer health



## SICPA enables Governments to fight illicit trade

SICPA enables Governments to protect tax revenues and deliver associated policy objectives by providing unique and secure authentication and traceability solutions.

SICPATRACE® combines material based security with state-of-the-art information technology which enables our partner Governments to secure revenue and protect consumers. As pioneers in this field, we are the only industry independent company to have successfully implemented and operated state and national level track and trace solutions exclusively dedicated to Governments.



Enabling trust



Photo courtesy of Lithuanian Customs

## SECTION 4. REVENUE

*Revenue risks in the Customs context include leakage through the smuggling of highly taxed goods such as tobacco, alcohol and motor spirits. They also include commercial fraud activities such as undervaluation, misuse of origin and preferential duties, misclassification and drawback fraud. The ability to effectively assess and collect legally due revenue remains a high priority for Customs administrations across the globe.*

### INTRODUCTION

Trade liberalisation and the increasing number of free-trade agreements and free-trade zones have added complexity to the international trading system. Every day more perpetrators of commercial fraud are taking advantage of vulnerabilities presented in the multi-modal transportation systems and emerging compound trade patterns to execute a variety of schemes, causing not only significant financial damage to the government's budget, but also inhibiting the economic competitiveness of compliant traders. The proceeds of these crimes can also serve as a potential source to

finance terrorist or other trans-national criminal activities.

Customs is therefore required to implement effective risk management and control strategies to mitigate threats that may hinder fair and efficient revenue collection and result in increased smuggling. In order to effectively prevent and detect commercial fraud and other forms of illicit trade, a strategic and multi-faceted approach, including capacity building and international cooperation, needs to be implemented.



Seizure of 240,000 cigarettes hidden in the structure of a lorry



Photos courtesy of Brazilian Customs

Under the umbrella of the Revenue Programme, various initiatives have been launched to provide guidance or to support the operational activities of WCO Member administrations in a broad range of sectors. These sectors have a direct or indirect impact on fair and efficient revenue collection, as well as compliance and enforcement efforts in relation to smuggling and other areas of commercial fraud and money laundering. This Section will highlight recent developments in selected areas, with a primary focus on tobacco-related issues.

## ILLICIT TRADE IN TOBACCO PRODUCTS

### General remarks

Illicit trade in tobacco products is defined in Article 1 of the World Health Organization's (WHO) Framework Convention on Tobacco Control as "any practice or conduct prohibited by law and which relates to the production, shipment, receipt, possession, distribution, sale or purchase of tobacco including any practice or conduct intended to facilitate such activity"<sup>1</sup>.

The growth in the illicit trade in tobacco remains a worrying worldwide phenomenon and an enduring source of funding for other illicit activities that undermine our societies, good governance and the rule of law. A number of studies, including information

supplied by the global Customs community, indicate that the illicit market may account for as much as one in every ten cigarettes smoked across the globe.

Where goods are highly taxed and easily portable, such as cigarettes, smugglers, rogue traders, criminals and other opportunists will take advantage of any weaknesses in Customs, revenue or other controls to amass illegal profits. Moreover, their activities hinder governments' efforts to fund and protect public health.

This Section of the Report aims at providing a global overview of illicit trade in tobacco products particularly highlighting current and emerging trends in this domain, to support future-orientated risk analysis and to assist Members in their anti-smuggling efforts.

Another important focus is to present initiatives undertaken by Members, RILOs and other international partners to counter this scourge by exchanging valuable information.

As in the other Sections of this Report, figures are based on data available in the WCO CEN database on seizures carried out over the last two years. The production of any analytical report depends on the quality and quantity of the data made available.

The information provided to the CEN database does not permit the production of in-depth threat assessments at a global level. Nonetheless, the data basis is sufficient to identify trends and to highlight particular

<sup>1</sup> *Framework Convention on Tobacco Control*, World Health Organization 2003, updated reprint 2004, 2005, available at [http://www.who.int/fctc/text\\_download/en/](http://www.who.int/fctc/text_download/en/)

issues which can provide support for policy and decision makers, as well as field officers.

It is important to note that the increase with regards to the statistics for 2012 is namely due to the inclusion of additional data for seizures made in 2012 which were input into the CEN database after the publication of the previous analysis on tobacco included in the 2012 edition of the Report.

To complete the picture, short case studies and country highlights on the situation concerning illicit trade in tobacco products in several countries were added.

Seventy-five Members provided seizure information into the CEN database for 2012 and ninety-one Members supplied data for 2013. This evidences the increasing commitment of WCO Members to share the results of their interventions to facilitate strategic and operational analysis on illicit trade in tobacco products.

## Global overview of illicit trade in tobacco products

### Cigarettes and cigars

For the first part of the global overview, cigarettes and cigars and cheroots have been grouped together as these types of tobacco products are reported in pieces (see Table 1). It is important to point out that one case may include seizures of different commodities (in the case of cigarettes this may also include seizures of different brands of cigarettes that constitute one case). Therefore, the number of seizures, which represents the number of times a particular commodity was seized, provides a more accurate picture.

As observed from Table 1, there has been an increase in the number of reported seizures for cigarettes, from 5,574 seizures in 2012 to 6,564 seizures in 2013, indicating a growth of nearly 15 per cent. However, the increase in the quantities seized is not proportional to the increase in the number of seizures. This could evidence a trend of smaller seizures being reported.

In terms of cigars and cheroots, the number of reported seizures almost doubled in 2013, nonetheless the quantity of seized pieces dramatically decreased

from 2,673,971 in 2012 to only 517,396 pieces in 2013. In particular this decrease can be explained due to six large seizures between 200,000 and 460,000 pieces reported by Brazil, Spain and Italy in 2012, whereas in 2013 only three seizures between 100,000 and 190,000 pieces were reported.

Table 1. Cigarettes, cigars and cheroots

| Type of tobacco product | 2012               |                      | 2013               |                      |
|-------------------------|--------------------|----------------------|--------------------|----------------------|
|                         | Number of seizures | Quantity (pieces)    | Number of seizures | Quantity (pieces)    |
| Cigarettes              | 5,574              | 2,568,583,011        | 6,564              | 2,703,823,441        |
| Cigars, cheroots        | 39                 | 2,673,971            | 68                 | 517,396              |
| <b>Total</b>            | <b>5,613</b>       | <b>2,571,256,982</b> | <b>6,632</b>       | <b>2,704,340,837</b> |

### Other tobacco products

A separate categorisation has been made for other tobacco products (other than cigarettes and cigars and cheroots) which, due to their nature are reported in terms of quantities seized in kilograms (see Charts 1 and 2).

One of the most notable trends is a significant increase in the seized quantity of chewing tobacco, which in 2012 amounted to 7,997 kg compared to 37,844 kg reported in 2013, reflecting an increase of nearly 5 times. This trend was already observed in the 2012 edition of this report where an increase in figures from 2011 to 2012 was noted.

Concerning the reported seizures of cut filler, only 4 cases were reported in 2013. A remarkable decrease can be noted in terms quantities seized from 9,517 kg seized in 2012 to only 56 kg in 2013. This due to the fact that in 2012 a very large seizure of 9 tonnes of cut filler was made in Sydney, Australia.

For hand rolling and pipe tobacco an increase in the number of seizures in 2013 can be noted, but a slight decrease in the quantity seized should also be highlighted. For example, the UK reported that part-processed tobacco imported from the Far East and, to a greater extent, from Eastern Europe is used mainly for the production of counterfeit hand rolling tobacco (HRT). In relation to methodology, increasingly more complex methods are being adopted by smugglers to avoid detection, from the use of more sophisticated concealments to the smuggling of smaller but more frequent amounts.

When turning to figures for raw tobacco, a large increase in the number of seizures and quantities seized can be evidenced (159 cases with a total quantity of 2,258,964 kg in 2013). When analysing the data more in depth, it becomes clear that this exponential increase is due notably to five very large seizures made by Poland, Czech Republic, Argentina, the UK and South Africa. Of these five large seizures the most significant one was made by the UK, which amounted to 1,200,000 kg of raw tobacco.

When observing the reported figures of smoking tobacco, there was a significant increase from 282,629 kg in 2012 to 1,433,780 kg in 2013, in spite of the fact that the number of reported seizures decreased immensely from 1,628 in 2012 to 780 in 2013. When reviewing the reported seizures individually, this fact can be attributed to eight very large seizures reported in 2013 which accounted for 1,141,430 out of the total of 1,433,780 kg, or about 80 per cent. Most of these large seizures have been reported as inland and land boundary seizures.



Seizure of water pipe tobacco

Photo courtesy of UAE Customs

Finally, for water pipe tobacco a significant increase in the number of seizures can be observed but it is not evident in the total quantities seized; this is due to the fact that many seizures of 1 kg or less have been reported, which was not the case in 2012.

Chart 1. Other tobacco products: number of seizures

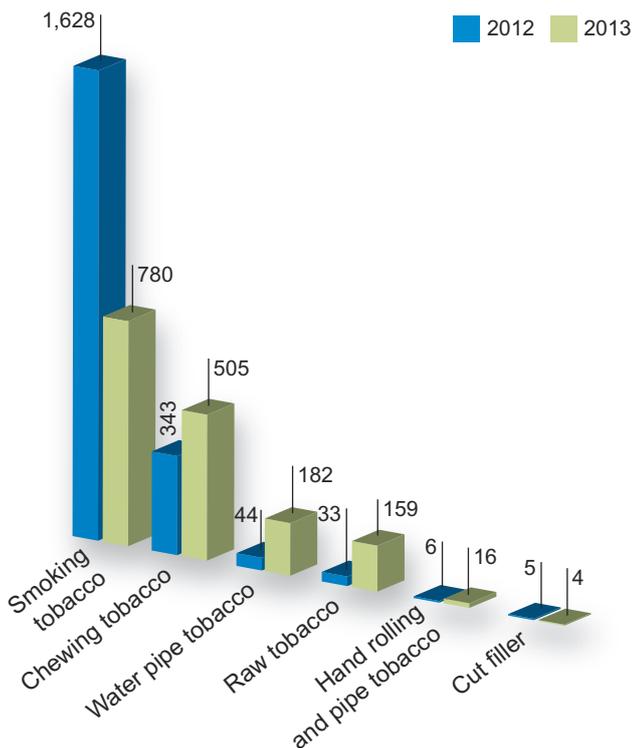
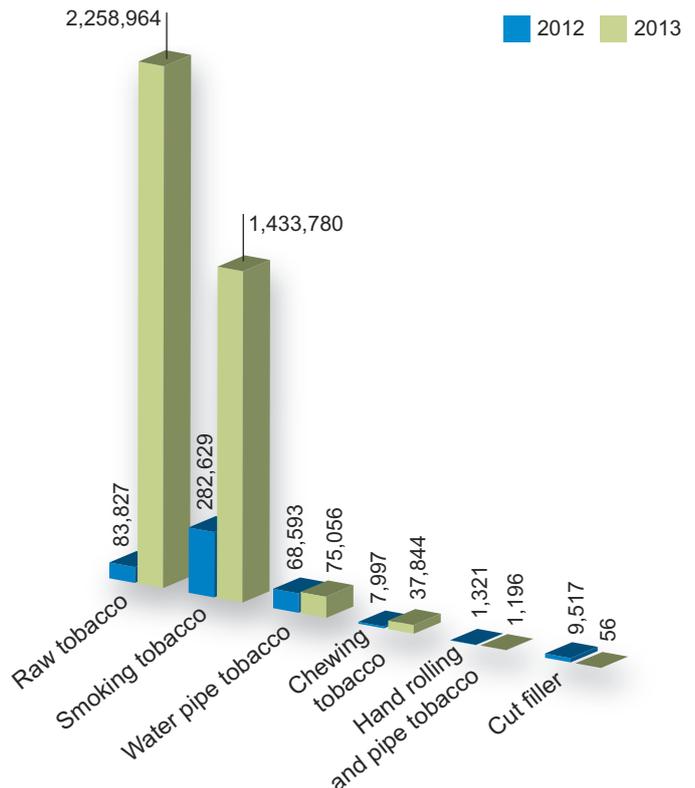


Chart 2. Other tobacco products: quantity (kg)



## Different categorisations of cigarette seizures

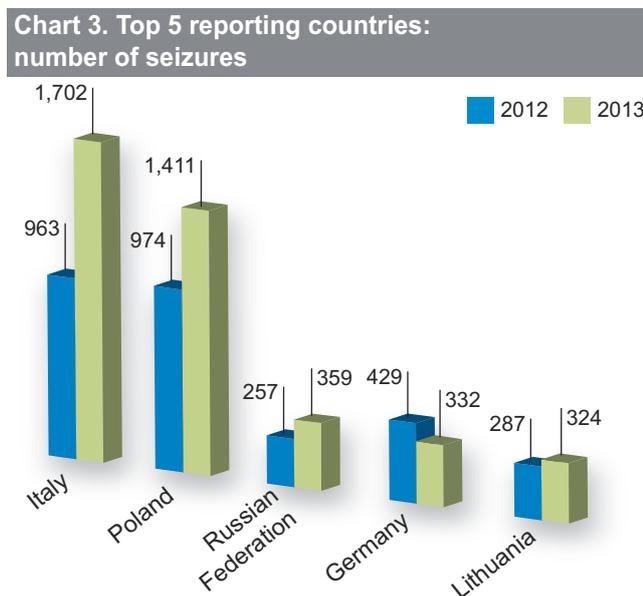
In order to provide a more detailed analysis on the situation of reported seizures of cigarettes several distinctions have been made. The first group relates to seizures of cigarettes which have been reported as regular brand cigarettes (excluding counterfeits). This includes 'cheap whites' as well as seizures registered in the CEN system as 'unknown' or in which details concerning the indication of authenticity have been left blank.

Another distinction is made for cigarette seizures above and equal to 100,000 and below 100,000 pieces. An overview will be provided in terms of seizures of cigarettes which have been reported as counterfeit and finally a brief section on "cheap whites" will follow.

### All reported cigarettes seizures excluding counterfeits

Chart 3 demonstrates the top 5 reporting countries by the number of reported seizures. It is important to note that Italy has doubled its seizure reports when compared to 2012, having become the top reporting country in 2013.

Following Italy, Poland and the Russian Federation are evidenced as the second and third highest reporting countries respectively. For 2013 it is



Seizure of 101,020 cigarettes concealed in a car

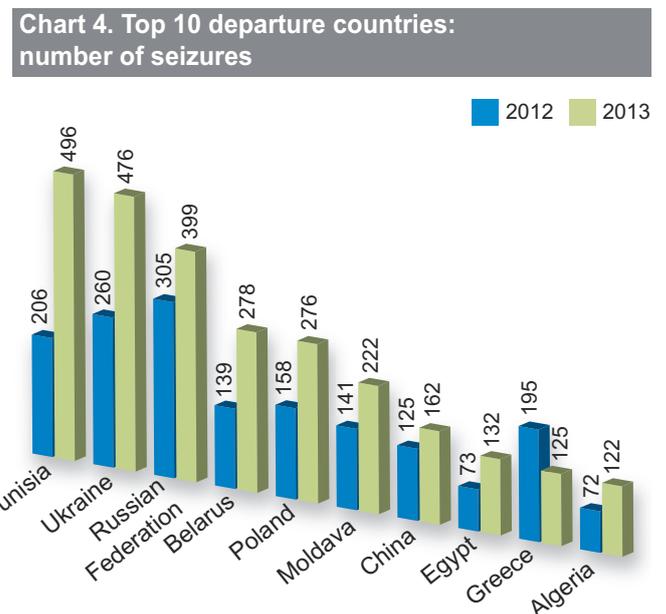
Photo courtesy of Uruguay Customs

important to note a significant increase in seizures reported by Brazil, Latvia, the United Kingdom, Argentina and Belarus when compared to the number of cases reported in 2012.

It is also noteworthy to highlight that South Africa appears as a high and newly reporting country for 2013.

For the top 10 departure countries for cigarettes seizures (see Chart 4) a more or less consistent increase is observed in all featured countries.

The top three identified departure countries in 2013 were Tunisia, closely followed by the Ukraine, Russian Federation and Belarus.



It is interesting to note an increase in incidences where China, Poland, Moldova and Algeria have been identified as departure countries. There is still a large quantity of seizures where the departure country was indicated as unknown.

Table 2 shows seized cigarettes by location both by number of seizures and by quantities seized. In 2013, the majority of reported seizures were made at land boundaries, inland and at the airports.

It is worthy to note that there was an increase of seizures detected at seaports in 2013, with 855 reported compared to 698 in 2012. However, the quantity in pieces seized decreased by 363,839,726 pieces in 2013. In terms of seizures made at airports in 2013, they increased threefold when compared with 2012, but this did not have a significant impact in terms of the quantities seized.

A significant reduction of cases which were reported as 'unknown' or 'other location' should be highlighted as well. In total in 2012, 259 seizures were reported under these two categories, and in 2013 only 24 seizures account for these categories. This reflects an important improvement in the quality/accuracy of the data in terms of the reported locations.

### Cigarette seizures (excluding counterfeits) above and equal to 100,000 pieces

In order to add more granularity to the data that is being analysed, a distinction has been made for cigarette seizures reported above and equal to 100,000 pieces.

An important feature of this analysis is based on the premise that there were many reported cases where more than 100,000 pieces were seized along with smaller quantities of other products, meaning that one case includes different seizures. Therefore, a more solid proxy would be to focus the analysis not on the quantity of cases, but on the number of seizures.

As is evidenced in the Table 3, the largest quantities seized were reported by Uganda in 2013, followed by Poland and the United Kingdom.

In terms of the concealment methods for seizures above and equal to 100,000 pieces (see Table 4), in 2013 the highest detection rates and amounts were observed in freight and transport. This is consistent

**Table 2. Cigarettes by location: number of seizures**

| Location                  | 2012               |                      | 2013               |                      |
|---------------------------|--------------------|----------------------|--------------------|----------------------|
|                           | Number of seizures | Quantity (pieces)    | Number of seizures | Quantity (pieces)    |
| Land boundary             | 1,201              | 324,270,823          | 1,592              | 989,108,041          |
| Seaport                   | 698                | 1,294,245,668        | 855                | 930,405,942          |
| Inland                    | 2,771              | 681,903,006          | 2,923              | 616,131,549          |
| Rail                      | 102                | 19,491,515           | 119                | 66,536,766           |
| Unknown                   | 259                | 140,494,974          | 24                 | 41,089,670           |
| Mail centre               | 23                 | 1,659,200            | 68                 | 24,333,466           |
| Airport                   | 337                | 11,060,864           | 933                | 13,704,657           |
| Other location            | 141                | 83,565,291           | 17                 | 7,504,650            |
| High seas                 | 4                  | 324,200              | 3                  | 7,242,060            |
| River                     | 18                 | 6,708,000            | 22                 | 6,236,660            |
| Border of free-trade zone | 20                 | 4,859,470            | 8                  | 1,529,980            |
| <b>Total</b>              | <b>5,574</b>       | <b>2,568,583,011</b> | <b>4,324</b>       | <b>2,703,823,441</b> |

**Table 3. Top 10 reporting countries for cigarettes above and equal to 100,000 pieces**

| Reporting country | 2012               |                   | 2013               |                   |
|-------------------|--------------------|-------------------|--------------------|-------------------|
|                   | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Uganda            | 12                 | 5,142,200         | 22                 | 599,326,000       |
| Poland            | 335                | 259,425,794       | 305                | 243,090,076       |
| United Kingdom    | 36                 | 192,211,760       | 107                | 195,001,060       |
| Greece            | 24                 | 296,545,475       | 18                 | 160,664,600       |
| Germany           | 106                | 124,861,476       | 88                 | 128,143,405       |
| Italy             | 176                | 315,841,100       | 103                | 125,048,620       |
| Brazil            | 12                 | 22,944,350        | 134                | 105,892,180       |
| Spain             | 123                | 229,302,440       | 40                 | 102,631,240       |
| Panama            | 0                  | 0                 | 5                  | 96,743,800        |
| France            | 1                  | 108,000           | 19                 | 71,879,859        |

with what was observed during 2012 and is usually due to the space required in order to conceal these larger amounts of cigarettes.

It is important to highlight an increase in cigarettes not being concealed, where seizures doubled in 2013. In terms of the quantities seized there was a 46 per cent increase in this category.

An emerging trend that is worth pointing out is the appearance of "mail" as a new concealment method for large quantities. In 2012 this method was not observed while in 2013 it was observed twice.

**Table 4. Concealment method for cigarettes above and equal to 100,000 pieces**

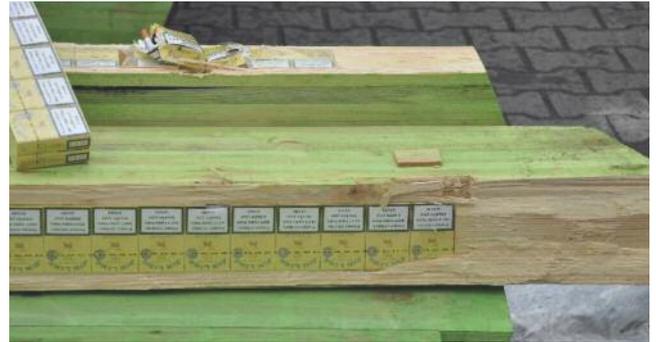
| Concealment method       | 2012               |                      | 2013               |                      |
|--------------------------|--------------------|----------------------|--------------------|----------------------|
|                          | Number of seizures | Quantity (pieces)    | Number of seizures | Quantity (pieces)    |
| In freight               | 333                | 1,032,814,860        | 320                | 1,448,032,753        |
| In transport             | 714                | 713,300,026          | 667                | 745,939,880          |
| Not concealed            | 110                | 150,387,585          | 191                | 220,266,200          |
| Unknown                  | 141                | 382,569,240          | 105                | 85,811,680           |
| In premises              | 133                | 119,042,997          | 138                | 81,574,019           |
| In baggage               | 51                 | 17,307,580           | 38                 | 9,699,986            |
| In mail                  | 0                  | 0                    | 2                  | 6,269,560            |
| On the person            | 1                  | 448,600              | 4                  | 2,050,880            |
| Recovered from sea/beach | 9                  | 1,839,800            | 4                  | 860,000              |
| On market places         | 6                  | 6,572,135            | 4                  | 770,680              |
| Forest cover             | 0                  | 0                    | 1                  | 118,000              |
| <b>Total</b>             | <b>1,498</b>       | <b>2,424,282,823</b> | <b>1,474</b>       | <b>2,601,393,638</b> |

### Cigarette seizures (excluding counterfeits) below 100,000 pieces

Table 5 outlines the top 10 reporting countries for seizures below 100,000, and the countries are ranked in terms of quantities. Italy appears to be the highest reporting country both in terms of the number of seizures, as well in the quantity seized. Their reported seizures nearly doubled but the increase in the seized quantities was not very significant.

In terms of the concealment methods for reported cases below 100,000 pieces, the largest amounts were found in transport during 2013, amounting to a total of 39,693,447 (see Table 6). This remains consistent with what was observed in 2012.

The following two most recurrent methods of concealment are in baggage and premises in terms of the times that they have been detected, but not in terms of quantities. The second most predominant method of concealment in terms of quantity is in freight, which shows that, despite the decrease in the number of times these amounts have been found, the quantities seized have practically doubled to a total of 28,055,540 pieces in 2013.



*Seizure of 2,813,000 cigarettes concealed in wood beams*  
Photo courtesy of Czech Customs

**Table 5. Top 10 reporting countries for cigarettes below 100,000 pieces**

| Reporting country | 2012               |               | 2013               |               |
|-------------------|--------------------|---------------|--------------------|---------------|
|                   | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Italy             | 787                | 29,567,458    | 1,599              | 33,943,468    |
| Poland            | 639                | 13,463,722    | 1,106              | 12,302,175    |
| Lithuania         | 251                | 8,222,260     | 307                | 12,180,160    |
| Montenegro        | 3                  | 30,280        | 4                  | 6,585,120     |
| Germany           | 323                | 8,515,351     | 244                | 5,473,967     |
| Hungary           | 190                | 5,897,984     | 169                | 5,092,112     |
| Estonia           | 51                 | 1,698,640     | 194                | 3,914,610     |
| Ukraine           | 195                | 3,014,595     | 81                 | 2,183,800     |
| Latvia            | 7                  | 452,820       | 83                 | 2,094,559     |
| Czech Republic    | 107                | 1,742,960     | 104                | 1,863,400     |

**Table 6. Concealment method for cigarettes below 100,000 pieces**

| Concealment method       | 2012               |                    | 2013               |                    |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
|                          | Number of seizures | Quantity (pieces)  | Number of seizures | Quantity (pieces)  |
| In transport             | 1,930              | 77,591,961         | 1,768              | 39,693,447         |
| In freight               | 123                | 13,815,257         | 63                 | 28,055,540         |
| In baggage               | 672                | 8,914,793          | 1,221              | 11,174,695         |
| In premises              | 370                | 8,013,054          | 764                | 10,543,146         |
| Unknown                  | 511                | 27,648,806         | 652                | 6,544,813          |
| Not concealed            | 339                | 6,510,935          | 204                | 4,483,347          |
| In mail                  | 35                 | 517,870            | 77                 | 877,883            |
| On the person            | 20                 | 475,450            | 68                 | 551,532            |
| On market places         | 72                 | 632,262            | 270                | 402,900            |
| Recovered from sea/beach | 4                  | 179,800            | 3                  | 102,500            |
| <b>Total</b>             | <b>4,076</b>       | <b>144,300,188</b> | <b>5,090</b>       | <b>102,429,803</b> |

## Counterfeit cigarettes

Counterfeit cigarettes are to be considered as those manufactured illegally bearing a trademark without the owner's consent. They can be sold directly in the country of production or smuggled into another country. The phenomenon of counterfeit cigarettes has been present for several years and was highlighted in the 2012 edition of this Report.

Other significant seizures of counterfeit cigarettes have been detected in the context of the IPR-related operation, *Biyela*, for which more detail can be found in the IPR section of this Report.

Table 7 presents all the reporting countries for counterfeit cigarettes: these have been outlined by seizures where counterfeit products have been found, due to the fact that in many of the reported cases counterfeit and regular or unknown types of cigarettes were seized together.

The reported occurrences, as well as the quantities, of counterfeit cigarettes dropped dramatically in 2013. This is explained by the fact that the United States reported 99 out of the 133 seizures in 2012, whereas there were no reported seizures of counterfeit cigarettes by the United States in 2013. In terms of the quantities seized, in 2013 Belgium ranked first with a total of 34,604,000, followed by Italy and Spain.

The largest seizure of counterfeit cigarettes in 2013 was reported by Belgium with a total of 14,854,000 pieces of counterfeit "Marlboro" cigarettes, detected in the seaport of Antwerp. The second largest seizure was reported by Italy, amounting to 10,400,000 pieces detected in the seaport and determined to be infringing the brand "Palace".

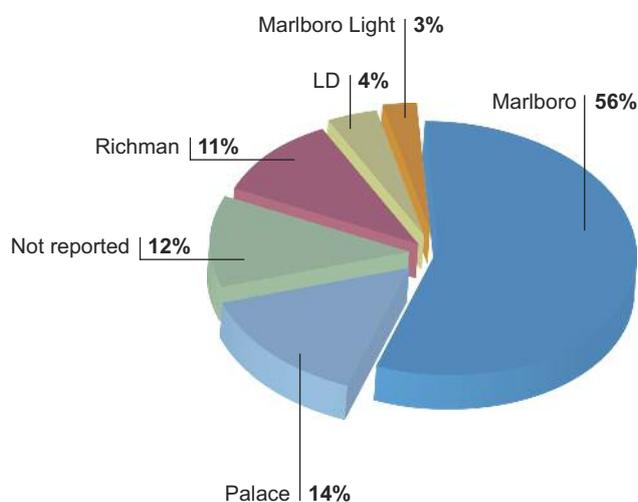
As was highlighted in the 2012 edition of this Report, "Marlboro" continues to be the most counterfeited brand. For 2013 it accounts for the highest number of seizures and 56 per cent of total reported quantity of counterfeit cigarettes (see Chart 5). It is followed by "Palace" with 14 per cent and followed closely by a seizure which accounts for 12 per cent or 10,250,000 pieces where the brand was not reported.

Taking into consideration the previous explanation concerning the general decrease in terms of seizures and quantities of seized counterfeit cigarettes in 2013,

**Table 7. Reporting countries for counterfeit cigarettes**

| Reporting country | 2012               |                    | 2013               |                   |
|-------------------|--------------------|--------------------|--------------------|-------------------|
|                   | Number of seizures | Quantity (pieces)  | Number of seizures | Quantity (pieces) |
| Belgium           | 2                  | 25,440,000         | 3                  | 34,604,000        |
| Italy             | 6                  | 15,637,000         | 4                  | 14,155,800        |
| Spain             | 6                  | 28,205,600         | 2                  | 11,948,800        |
| Netherlands       | 2                  | 1,732,000          | 4                  | 8,724,000         |
| Austria           | 1                  | 5,617,940          | 2                  | 8,507,600         |
| Malta             | 1                  | 7,590,000          | 1                  | 4,470,000         |
| France            | 4                  | 115,801            | 1                  | 2,199,200         |
| Slovakia          | 1                  | 5,542,300          | 1                  | 2,140,000         |
| Poland            | 1                  | 600,000            | 1                  | 483,200           |
| Germany           | 1                  | 9,000,000          | 2                  | 20,738            |
| Burkina Faso      | 1                  | 12,000             | 0                  | 0                 |
| United States     | 99                 | 40,423,739         | 0                  | 0                 |
| Lebanon           | 1                  | 8,940,000          | 0                  | 0                 |
| Czech Republic    | 3                  | 2,804,444          | 0                  | 0                 |
| Estonia           | 4                  | 8,589,080          | 0                  | 0                 |
| <b>Total</b>      | <b>133</b>         | <b>160,249,904</b> | <b>21</b>          | <b>87,253,338</b> |

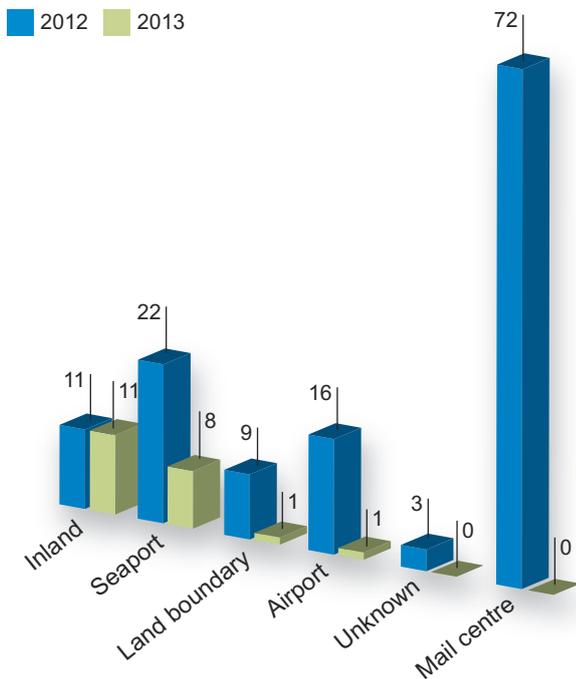
**Chart 5. Top 6 reported counterfeit brands in 2013**



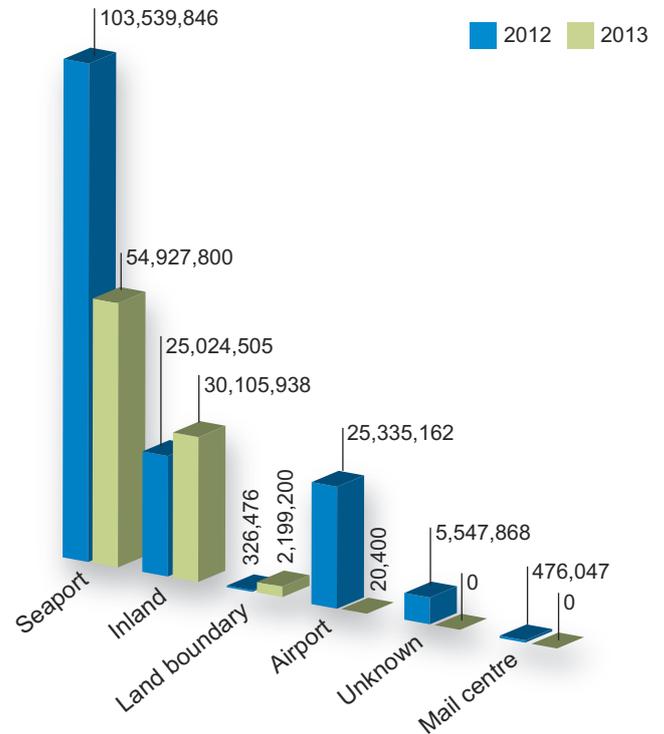
the most frequent locations where they were found were at seaports and inland (see Charts 6 and 7). In comparison with 2012, the data on locations was more accurate and no unknown locations were reported.

For the seizures reported in 2013 the majority of seized counterfeit cigarettes, both in terms of number of seizures and quantity, were detected in freight – a trend that is consistent with the figures for 2012 (see Table 8). The next two large categories are detections of counterfeit cigarettes concealed in transport, as well as in premises.

**Chart 6. Counterfeit cigarettes by location: number of seizures**



**Chart 7. Counterfeit cigarettes by location: quantity (pieces)**



### Cheap or illicit whites

The “cheap whites” phenomenon has been described in previous editions of this Report, and their appearance in markets has been identified to date back to more than a decade ago. When referring to this type of cigarettes, they are to be understood as branded cigarettes, legally produced by independent producers established in various regions of the world. These products are legally produced in the manufacturing country and are legally exported, but represent a challenge when imported into some intended destination countries.

During the OLAF’s 18<sup>th</sup> Task Group Cigarettes Conference, held from 11<sup>th</sup>-14<sup>th</sup> November 2013 in Bucharest, Romania, the delegates tried to identify a common definition for cheap whites. The text agreed by the Working Group was: “Cheap whites are cigarettes manufactured legitimately in one country where they may have a domestic market or may not have a market at all in the EU, but are smuggled into or sold illegally in another country/market, where they do not have the licence to be sold legally.” This definition is not an official EU position, and is not intended to have a legal value, but to bring a common understanding of the issue.

**Table 8. Concealment method for counterfeit cigarettes**

| Concealment method | 2012               |                    | 2013               |                   |
|--------------------|--------------------|--------------------|--------------------|-------------------|
|                    | Number of seizures | Quantity (pieces)  | Number of seizures | Quantity (pieces) |
| In freight         | 19                 | 94,330,196         | 8                  | 53,076,800        |
| In premises        | 6                  | 14,404,684         | 6                  | 17,800,800        |
| In transport       | 12                 | 11,288,480         | 4                  | 16,354,200        |
| In baggage         | 1                  | 10,000             | 3                  | 21,538            |
| Not concealed      | 9                  | 187,986            | 0                  | 0                 |
| Unknown            | 15                 | 39,582,911         | 0                  | 0                 |
| In mail            | 71                 | 445,647            | 0                  | 0                 |
| <b>Total</b>       | <b>133</b>         | <b>160,249,904</b> | <b>21</b>          | <b>87,253,338</b> |



*Illegal production of cigarettes*

*Photo courtesy of Spanish Customs*

It has been pointed out that in some cases it is not even possible to buy cheap whites legally on the domestic market of the manufacturing country. They are therefore smuggled via similar routes and patterns used by smugglers of traditional branded cigarettes.

The most common brand of cheap whites is “Jin Ling”. It is produced in Russia (Baltic Tobacco Factory, Kaliningrad), Ukraine and Moldova. In 2013 there were 241 seizures of “Jin Ling”. Another popular cheap whites brand is “Raquel” (whose manufacturer is based in Cyprus, while there seem to be additional production sites in several other countries).

## Case studies and country highlights

### Extra-inspective smuggling<sup>1</sup>

The extra-inspective smuggling of tobacco products consists of introducing cigarettes onto Italian territory by avoiding border-crossings controlled by Customs, and essentially introducing them by sea aboard speedboats coming directly from the Adriatic coast of the states of the former Yugoslavia.

This phenomenon seemed to have ended in the year 2000, when the level of danger and aggression of smuggling organisations generated a strong military response which was able to shut it down completely. However, in 2013 the Italian Guardia di Finanza carried out specific and complex investigations which evidenced a possible resurfacing of this phenomenon.

The investigations highlighted the existence of a criminal association comprised of Montenegrin and Italian citizens engaged in international cigarette smuggling using powerful boats leaving from the Montenegrin island of Sveti Nikola to land on the Adriatic coast.

In particular, eight responsible individuals were arrested on the spot and 1.3 tons of cigarettes as well

as four powerful boats were seized. Evaded duties were assessed at EUR 230,000. The subsequent investigations and actions coordinated by the local Anti-mafia District Directorate included 40 orders of preventative detention for criminal association in executing a cigarette smuggling scheme.

### Smuggling of contraband cigarettes using luxury cars<sup>2</sup>

In 2013, 15 offenders were caught attempting to smuggle contraband cigarettes into Singapore using luxury cars. The offenders concealed the contraband cigarettes in modified compartments of their luxury cars assuming that luxury vehicles would less likely be checked by enforcement officers at the checkpoints. In one of these cases, a Singaporean man was caught attempting to smuggle 318 cartons of contraband cigarettes in a Singapore-registered Mercedes Benz at Woodlands checkpoint. The cigarettes were concealed in a modified compartment of the car. The duty and GST<sup>3</sup> evaded amounted to more than US \$24,000.

### “Ants-moving-home”<sup>4</sup>

The illicit trade in cigarettes became increasingly sophisticated with infiltration of the supply chain networks. Instead of keeping large local warehouses to stock up illicit cigarettes, syndicates applied the “just-in-time” concept for fast delivery of smuggled cigarettes to different parts across Hong Kong. In effect, illicit cigarettes of different brands were first pre-sorted according to advance orders. Upon being smuggled into Hong Kong, they were immediately disseminated by local vehicle fleets to distributors in different regions of Hong Kong for sale on the black market.

To evade detection by Customs, syndicates usually mix-loaded illicit cigarettes among general cargoes, or used false compartment in containers for concealment. For passenger couriers, they mainly adopted the “ants-moving-home” tactic to bring in illicit cigarettes by mix-loading with personal belongings or body-packing.

<sup>1</sup> Information provided by Guardia di Finanza, Italy.

<sup>2</sup> Information provided by Singapore Customs.

<sup>3</sup> GST is a broad-based consumption tax levied on the import of goods (collected by Singapore Customs). GST is the equivalent of Value Added Tax (VAT).

<sup>4</sup> Information provided by Customs and Excise Department, Hong Kong, China.



A seized speedboat used to smuggle cigarettes

Photo courtesy of Italian Guardia di Finanza



Concealment of contraband cigarettes using modified fuel tank of the Mercedes Benz car

Photo courtesy of Singapore Customs

### Operation Romoluk<sup>5</sup>

Operation Romoluk is a joint international Customs operation which took place from April to May 2013, with the participation of the Moldovan, Romanian and Ukrainian Customs authorities, OLAF, Frontex, EUROPOL and EU Border Assistance Mission to Moldova and Ukraine (EUBAM), as well as the Romanian Border Guard Service.

In the context of this Operation, aimed at the counteraction of illegal movements of tobacco and alcohol products, the Ukrainian Customs made a seizure of 12,730,000 pieces (1,273 boxes) of cigarettes (Brendal and Camri brands) that were moving from Poland and Slovakia to Moldova by transit via Belarus and Ukraine. The aforementioned tobacco goods were imported in Belarus from Poland on 2 April 2013 and left for temporary storage at the Customs control zone. On 11 April 2013 these goods were imported in Ukraine, however as the accompanying documents regarding the addressee of the goods were falsified, the cigarettes were seized.

### Tobacco smuggling trends<sup>6</sup>

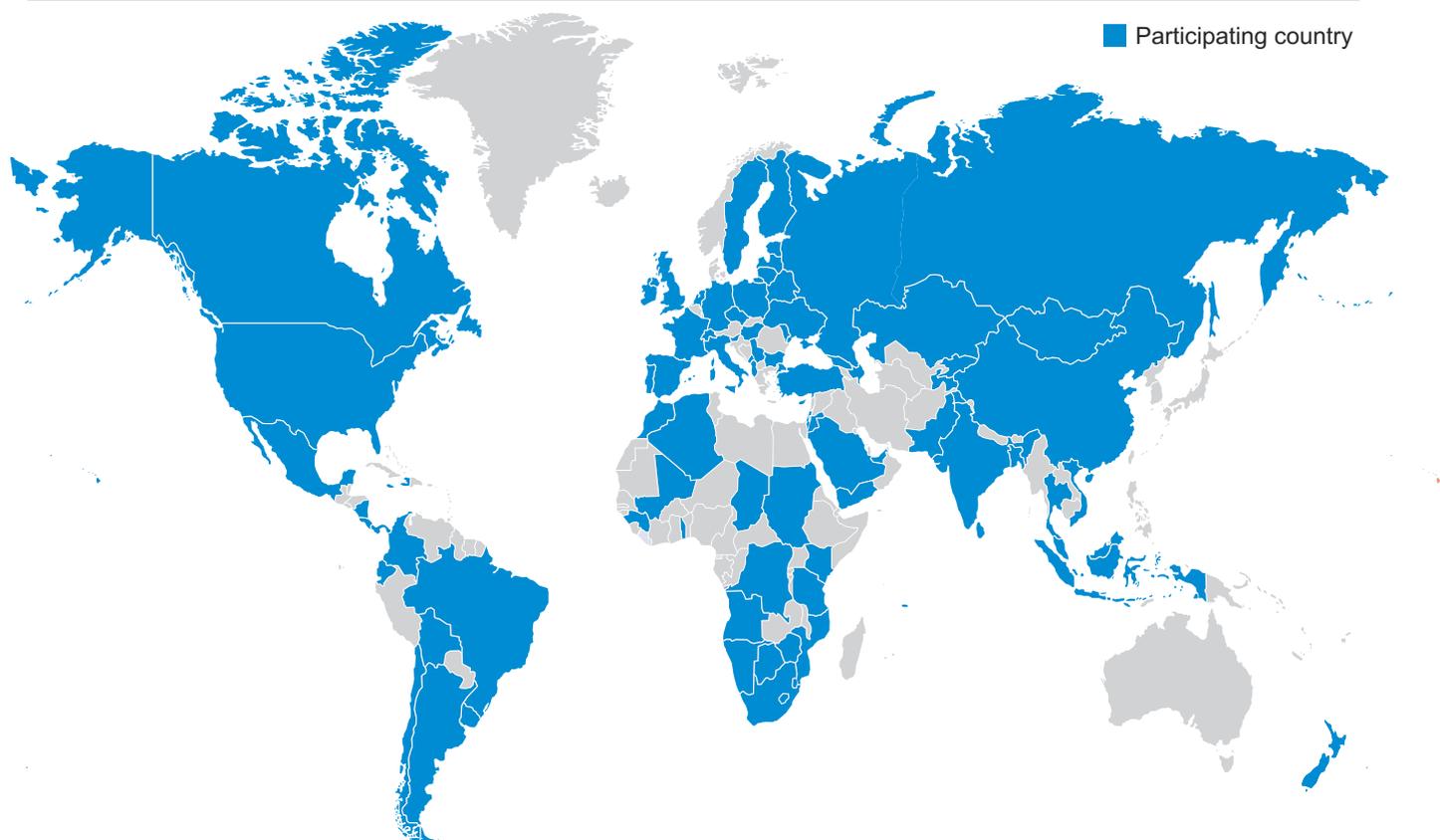
Latvian Customs has reported that the most frequently used carriage for smuggling tobacco products is in lorries, usually equipped with special compartments for concealing the goods (double/fake walls and floor) or using cover loads such as timber cargos, as well as in sea containers (providing false information regarding the cargo contents). The trend observed over the last three years is that smuggled cigarettes of Belorussian origin tend to be carried by rail, e.g. by hiding them in coal cargos (about 20 cases were detected in 2013).

Cigarettes arriving by sea from countries such as China, are usually smuggled and predominantly counterfeit. It is also important to highlight that the number of seizures, as well as the number of confiscated excise goods units, in the Riga Free Port has increased.

<sup>5</sup> Information provided by the State Customs Service of Ukraine.

<sup>6</sup> Information provided by the Latvian National Customs Board.

Map 1. Countries participating at the Operation Gryphon



## PROJECTS AND OPERATIONS

### Operation Gryphon

Operation Gryphon, the first global Customs-centric operation tackling illicit trade in tobacco, was launched by the WCO on 1 October 2013 as a six-months monitoring project aimed at addressing the global threat posed by illicit trafficking in tobacco and tobacco products.

Ninety-three Member administrations participated in this global effort in monitoring trans-boundary shipments of tobacco products; they provided notifications on exported shipments which pose a high risk of being illegal or being diverted, provided feedback against information received from other parties and reported all seizures of tobacco products. The WCO network of 11 RILOs supported the operation in their roles as regional Operational Coordination Units, effectively covering all six WCO regions.

In addition to its general objectives, the Operation has been divided into three specific focus areas or phases (each for a period of two months) to target specific

risks. The first phase aimed at the identification of diverted equipment, chemicals, papers and other materials involved with the illicit production of tobacco products; the second phase focused on monitoring abuses of Duty Free licences and reporting controls; controls in ships stores (e.g. ships/aircraft/lorries/private vessels) and in free zones; and the final phase focused on identifying the smuggling of tobacco products via the Internet, mail and express consignments.

Operation Gryphon serves as a prime example of international Customs cooperation which has resulted in significant seizures and the identification of potential vulnerabilities and best practices when engaging in such large scale efforts.

The crucial role of the global RILO network has also been evidenced. During the operational phase, important information generated at national level was swiftly shared/handed over via CENcomm by the RILOs in the relevant regions. RILO AP, capitalising on their vast experience with similar long-term regional tobacco initiatives has taken a principal role in the implementation of Operation Gryphon, displaying extraordinary diligence in sharing information and intelligence.

Data collected throughout Operation Gryphon will be analysed in detail in order to provide a global overview of the scourge of illicit trade in tobacco and tobacco products. Nonetheless, it is important to mention that seizures reported during the first trimester of this

Operation have been taken into consideration for the global figures contained in this edition. Trends and patterns identified during this initiative will be reported in the 2014.

## Seizure highlights

### 1 Zimbabwe:

**Seized:** 15,930,000 cigarettes (4 full train wagons)

**Cover load:** timber, eucalyptus gum poles conveyance: rail train



Operation Gryphon

Photos courtesy of Zimbabwe Customs



### 2 Spain:

**Seized:** 9,180,000 cigarettes

The container number was duplicated (using stickers).

One container was filled with stones; the other container was packed with cigarettes.

**Conveyance:** vessel

(commercial-container ship)



### 3 Belgium:

(not part of the operation)

**Seized:** 30,298,000 cigarettes

(counterfeited-brands: Marlboro, Palace and L&M)

**Cover load:** none

**Conveyance:** container (commercial-container ship)

The seizure by Belgian Customs was made based on risk profiling and intelligence sharing by RILO AP.



### 4 Chile:

**Seized:** 10,062,000 cigarettes

**Cover load:** glassware

**Conveyance:** vessel (commercial-container ship)



Operation Gryphon

Photos courtesy of Spanish Customs

## Project Crocodile

Project Crocodile aims to trace suspicious cigarette shipments through a mechanism of export and arrival notifications. In 2004, RILO AP coordinated the inception of Project Crocodile and serves as the regional intelligence hub for the initiative. Currently, this Project has a membership of 22 Member administrations including Australia, Bangladesh, Bhutan, Brunei Darussalam, China, Fiji, Hong Kong (China), Indonesia, Iran, Japan, Korea, Macau (China), Malaysia, Maldives, New Zealand, Pakistan, Papua New Guinea, Philippines, Singapore, Sri Lanka, Thailand and Vietnam. In 2013, RILO AP managed 599 export notifications and 259 arrival notifications concerning suspicious cigarette shipments. When shipments involved other non-AP countries, RILO AP alerted the relevant RILO region, capitalising on the RILO networks Customs-to-Customs coordination capabilities. Through this project, Customs administrations effectively monitored cigarette shipments and successfully countered cigarette smuggling in the AP region. In 2013, members reported seizures of 56.5 million cigarettes and 9,700 kg of tobacco leaves. Through an intelligence exchange with RILO Western Europe regarding suspicious shipments, Belgium seized 30 million cigarettes from Singapore and China in November 2013.

### Member Testimony to Project Crocodile - Hong Kong Customs

The Project is a platform for multi-lateral cooperation among Customs administrations in the Asia-Pacific region to fight against transnational illicit cigarette and tobacco products smuggling. In 2013, the successful detection of a cigarette smuggling case valued at over USD 0.4 million in Manila, the Philippines was a prime example which illustrated how Project Crocodile, an effective common cooperation platform coordinated by the RILO AP, facilitated different Customs administrations to fight the battle against trans-national smugglers.

Acting on intelligence provided by the UK's Her Majesty's Revenue & Customs, a suspicious cigarette shipment was being targeted and monitored by three WCO AP members, namely, China Customs, Hong Kong Customs and the Philippines Customs, and one non-WCO member, Taiwan, under Project Crocodile. The shipment was first exported from North Korea and



*Seizure of cigarettes concealed in water heaters  
Photo courtesy of Hong Kong Customs*

after calling on two ports in China, it transited through Taiwan where it was examined. Taiwan Customs found fake cigarettes inside the containers, but did not seize them because “counterfeits-in-transit” was not liable to forfeiture under local laws. Hong Kong Customs was made aware of the situation and closely monitored the shipment while it continued its voyage from Taiwan transiting through Hong Kong and subsequently reaching the Philippines. Hong Kong Customs quickly alerted their Customs counterparts, including Philippines Customs and the RILO AP, providing them with the details of the shipment through the intelligence platform of Project Crocodile. The coordination, cooperation and communication demonstrated by RILO AP and their Customs counterparts led to the identification and disruption of this cigarette smuggling case in Manila, Philippines.

The commendable outcome reflected the enthusiasm of the WCO Member administrations and was attributed to their concerted efforts, mutual cooperation and timely exchange of information, which is the basis for the international community when working together to crack down on trans-national cigarette smuggling activities.

## INITIATIVES

### The WHO Protocol to Eliminate Illicit Trade in Tobacco Products

The Protocol to Eliminate Illicit Trade in Tobacco Products was adopted on 12 November 2012, during the Fifth Session of the Conference of the Parties of the Framework Convention on Tobacco Control (FCTC) of the WHO held in Seoul, Republic of Korea.

The Protocol was developed in response to the growing international movement of illicit trade in tobacco products and aims to combat the illegal trade in tobacco products through control of the supply chain and enhanced international cooperation, thereby protecting people around the world from the health risks of tobacco, ensuring that all Customs, excise and other tax revenues due are collected and accounted for, and reducing the burden on national health systems.

In its preamble, the Protocol stresses that Parties shall take "into account that effective action to prevent and combat illicit trade in tobacco products requires a comprehensive international approach to, and close cooperation on, all aspects of illicit trade..."<sup>7</sup>. It makes specific reference to enhanced cooperation between the Convention Secretariat, UNODC, WCO and other bodies, as appropriate.

Several areas within the mandate and expertise of the WCO, including the development of effective enforcement strategies for the control of cross-border movements of goods, people and conveyances, its leading role in securing the international supply chains, and the provision of technical assistance to its Members, are of high significance for raising awareness of the Protocol and its implementation upon entry into force.

Initial cooperation between the Convention Secretariat and the WCO has occurred, particularly during the negotiations of the Protocol and following its adoption, and demonstrated the potential benefits of such collaboration in the interest of the Parties to the WHO FCTC and to the Protocol. The WCO and the FCTC Secretariat will continue to explore ways of enhancing

such cooperation in raising awareness of the Protocol and its relevant provisions among national Customs authorities, and promoting multi-sectorial dialogue and coordination between health, Customs and other relevant sectors, in view of assisting countries in the process of ratification and entry into force of the Protocol.

By the end of April 2014, the Protocol had fifty-four signatories and one ratification.

The Protocol will enter into force on the 90<sup>th</sup> day following the date of deposit of the 40<sup>th</sup> instrument of ratification.

### WCO Assessment Questionnaire on the Protocol to Eliminate Illicit Trade in Tobacco Products

Considering the relevance of the WHO Protocol for Customs administrations and their activities to fight illicit trade in tobacco, the WCO Secretariat wished to obtain a clearer picture on the level of awareness of this instrument and its potential implications amongst its Members, and therefore prepared and circulated a questionnaire in July 2013.

The questionnaire intended to touch upon key aspects of the Protocol, particularly provisions related to supply chain control, offences and international cooperation. This was done with the aim of assessing the Members' current situations and identifying potential gaps. The final part of the survey was aimed at obtaining information on the capability of our Members to estimate the scale of illicit trade in tobacco products.

Feedback was received from 87 Members across the 6 WCO regions. The highest percentage of replies came from Europe, followed by East and Southern Africa, South America, North America, Central America and the Caribbean, and the Far East, South and South East Asia, Australasia and the Pacific Islands. A lower percentage of replies were received from North Africa, the Near and Middle East and West and Central Africa (see Table 9) .

<sup>7</sup> *Protocol to Eliminate Illicit Trade in Tobacco Products*, World Health Organisation 2013, <http://www.who.int/fctc/protocol/about/en/>

**Table 9. Survey response results**

|                           | North of Africa, Near and Middle East | West and Central Africa | East and Southern Africa | South America, North America, Central America and the Caribbean | Europe | Far East, South and South East Asia Australasia and the Pacific Islands |
|---------------------------|---------------------------------------|-------------------------|--------------------------|---|--------|---|
| Total number of countries | 17                                    | 23                      | 24                       | 31  | 51     | 33  |
| Number of responses       | 2                                     | 4                       | 9                        | 12  | 41     | 12  |

The survey results evidenced a general interest from Members in ratifying the Protocol. In the run up to the ratification, respondents indicated that the most prominent leading authority was the Ministry of Health. Nevertheless, Customs would potentially be more involved in the process of implementing the Protocol after it enters into force.

The majority of Members declared that they had access to statistics regarding the domestic production and consumption of tobacco and that they were able to track and trace the supply chain of tobacco products, mostly by using their Customs declaration systems.

On the one hand, a high number of Customs administrations indicated that they had a possibility to maintain records of imports and exports of tobacco products and tobacco manufacturing equipment. On the other hand, the majority of respondents pointed out that they did not have information concerning the domestic production of tobacco manufacturing equipment. With regards to retail sales of tobacco products via the Internet, the survey showed that they were allowed in a large number of jurisdictions.

Concerning the questions related to control provisions on the manufacturing and transactions of tobacco products in free zones, 33 countries indicated the existence of a system of control, while 22 countries confirmed that that a system was in place, but was not necessarily effective.

The majority of administrations replied positively to the question concerning the existence of a control system for recording duty free sales of tobacco products and for the supply of tobacco products in ship stores.

Results also evidenced that the illicit trafficking of tobacco products is subject to both criminal and

administrative laws in a great number of countries, but only half of the respondents indicated to have the authority/procedure in place to conduct “controlled deliveries”.

The vast majority of Customs administrations replied that they had the legal authority to share information related to the supply chain of tobacco products with other administrations.

Most countries responded that they considered the counterfeiting and smuggling of cigarettes as a high priority. As to the capability to evaluate the size and the scale of the revenue losses associated with this criminal phenomenon, only half of the participants replied positively.



*Seizure of 3,000,000 cigarettes declared with a false HS code  
Photo courtesy of Uganda Customs*

## ILLICIT TRADE IN ALCOHOL PRODUCTS

As previously discussed, illicit trade in highly excisable products represents an ongoing challenge for Customs administrations across the globe. In most countries alcohol and alcohol-related products have been traditionally subject to Customs duties and/or excise duties.

Excise duties applicable to such products tend to vary from country to country and product to product. In many cases the type of product, for example, beer, wine or distilled spirits, as well as the percentage of alcohol they contain, are the criteria for the variations on the rates applied. In other jurisdictions, alcohol and alcohol products are generally banned from importation due to national prohibitions and restrictions.

The illicit trade in alcohol products is also conducted in various ways, ranging from “classic” methods such as false Customs declarations and/or accompanying documents, concealments in vehicles and containers, and the misuse of excise suspension regimes in the single markets.

For example, in the United Kingdom alcoholic beverages such as beer, wine and spirits are smuggled predominately via Roll-on–Roll-off (RoRo) ferry traffic arriving at South East ports from the near continent. Inward diversion fraud is primarily used to facilitate alcohol smuggling in addition to abuse of the Electronic Management Control System (EMCS). Whilst RoRo traffic is the predominant mode of transportation, alcohol is also moved via container traffic and this mode is likely to pose a greater risk for smuggling than seizures alone would suggest.

In 2013 there were approximately 900 seizures of beverages (beer, wine, alcoholic products) recorded in the CEN database, reflecting a slight increase in the reported seizures compared to 2012. This data was reported from only 24 countries, which makes it difficult to provide a true reflection of the magnitude and scope of this phenomenon.

Due to its impact in accurate revenue collection, this is an area of high relevance for Customs. An improvement in the availability of seizure information

**Table 10. Seizures of alcohol and alcoholic beverages**

| Alcohol and alcoholic beverages  | 2012               |                   | 2013               |                   |
|--|--------------------|-------------------|--------------------|-------------------|
|  | Number of seizures | Quantity (litres) | Number of seizures | Quantity (litres) |
| Beer made from malt  | 139                | 16,339            | 202                | 673,509           |
| Gin and Geneva   | 2                  | 8                 | 2                  | 192               |
| Liqueur  | 9                  | 21,800            | 22                 | 25,711            |
| Others   | 18                 | 5,040             | 6                  | 49,351            |
| Rum and Tafia  | 6                  | 17,761            | 12                 | 362               |
| Spirits obtained by distilling grape wine e.g. cognac, grappa, brandy etc.             | 14                 | 3,690             | 11                 | 3,767             |
| Undenatured ethyl alcohol of an alc. strength by vol. of 80% vol. or higher            | 35                 | 1,330,579         | 26                 | 57,123            |
| Undenatured ethyl alcohol of an alc. strength by vol. of less than 80% vol.            | 2                  | 4,332             | 7                  | 18,752            |
| Vermouth and other wine from fresh grapes flavoured with plants or aromatic substances | 8                  | 179               | 2                  | 404               |
| Vodka  | 59                 | 26,201            | 100                | 5,547             |
| Whisky   | 429                | 229,198           | 452                | 205,280           |
| Wine from fresh grapes including fortified wines                                       | 24                 | 4,448             | 46                 | 72,759            |
| <b>Total</b>   | <b>745</b>         | <b>1,659,575</b>  | <b>894</b>         | <b>1,114,155</b>  |

through input into the CEN database is crucial in an effort to more effectively identify trends and highlight particular issues for the benefit of the international Customs community.

Comparing the data between 2012 and 2013, there was a high increase in the quantity of seized beer made from malt: from 16,339 litres reported in 2012 to 673,509 in 2013 (see Table 10). This is notably due to a large seizure made by Poland in March 2013, accounting for 630,000 litres.

As in 2012, whisky products continue to dominate the

number of seizures with a total of 452 reported in 2013. This category also remains at the second position in terms of seized quantities (approximately 205,280 litres).

Another interesting fact is the significant drop in seizures of undenatured ethyl alcohol consisting of alcohol strength by vol. of 80 per cent or higher compared with 2012. Specifically, in 2012 a total of 1,330,579 litres were reported and in 2013 the figure dropped to only 57,123 litres.

When comparing the data, an interesting finding relates to seizures of vodka. While the amount of reported seizures was roughly the same year to year, the quantity in litres decreased from 26,201 litres in 2012 to 5,547 in 2013.

Another important aspect of illicit trade in alcohol is the phenomenon of counterfeit alcohol. More information concerning reported seizures of counterfeit alcohol products can be found in the IPR Section of this report.



In March 2013, the Customs officers at Riga Free Port made a large seizure of alcohol, recognised as counterfeit.

- The seizure included:
- > 3,600 bottles of Jack Daniel's
  - > 1,344 bottles of Hennessy
  - > 774 bottles of Glenmorangie



*Photos courtesy of Latvian Customs*

## MONEY LAUNDERING

### Customs Initiatives to Combat Money Laundering

#### Trade Based Money Laundering – Trade Transparency Unit solution

The objective of most Trans-national Criminal Organizations (TCOs) is to generate profit. With the international community enacting stricter financial regulations and new cash control systems, trade-based money laundering (TBML) schemes are becoming increasingly popular with TCOs.

TBML refers to the process of disguising criminal proceeds through trade with the intent of legitimising their illicit origins. Rather than being a single activity, TBML refers to a variety of schemes used to disguise criminal proceeds. The process can involve moving illicit goods, falsifying trade documents, and misrepresenting trade-related financial transactions with the purpose of integrating criminal proceeds. Value is also moved through processes such as false-invoicing, over-invoicing and under-invoicing commodities that are imported or exported around the world. The Black Market Peso Exchange (BMPE), a complex form of TBML, has become one of the preferred methods for TCO financiers to move money for the purpose of disguising its origins and integrating it into the legitimate economy. As the anti-money laundering (AML) standards become increasingly effective against other money laundering methods and with the increase in global trade, abuse of the international trade systems is expected to become even more attractive for TCOs.

International trade systems are clearly subject to a wide range of risks and vulnerabilities that can be exploited by TCOs. In part, these arise from the enormous volume of trade transactions, which obscures individual transactions; complexities associated with the use of multiple foreign exchange transactions and diverse trade financing arrangements; the commingling of legitimate and illicit funds; and the limited resources that most Customs agencies have available to detect suspicious trade transactions.

Adding to the complex nature of international trade systems, law enforcement agencies are only able to see one side of the trade transactions. Criminal

investigators might have the expertise and experience in investigating either financial or Customs fraud crimes, but they do not have the full financial and trade data that would give them a complete picture of the scheme. This lack of transparency often catalyzes the use of TBML by TCOs.

Recognising that bilateral law enforcement relationships are essential due to the international aspects of TBML, in 2004, the US Department of Homeland Security, Homeland Security Investigations (HSI) created the Trade Transparency Unit (TTU) in Washington D.C. TTUs are cooperative investigative units designed to eliminate criminal organizations seeking to exploit the international trade system to launder their illicit proceeds. These units are hosted by partnering foreign governments and help to identify vulnerabilities within the global trade and financial systems.

HSI has developed TTU partnerships with Argentina, Australia, Brazil, Colombia, Dominican Republic, Ecuador, Guatemala, Mexico, Panama, Paraguay and Philippines. The TTUs exchange trade data through existing Customs Mutual Assistance Agreements (CMAAs) and other international sharing agreements. CMAAs give TTUs the ability to work directly with each other, which is one of the keys to the success of the TTU mission.

To facilitate sharing and analysis of the trade data between TTU partners, the HSI TTU has developed the FALCON Data and Analysis for Trade Transparency System (DARTTS). FALCON DARTTS allows users to generate leads and to otherwise support investigations related to TBML, smuggling, commercial fraud, and other crimes within the jurisdiction of HSI and foreign customs organizations. FALCON DARTTS analyses data to identify statistically anomalous transactions that may warrant investigation for money laundering or other import-export crimes.

HSI's TTU is used to provide investigative, analytical and intelligence case support to law enforcement agents and to support TBML investigations involving TCOs. The TTU methodology has been recognised as a best practice to combat and prevent the TBML threat.

The United States and other countries derive many benefits from participation in this initiative. TTUs enhance the quality and depth of money laundering

investigations, as well as improve foreign and domestic border security and cooperation. From HSI's perspective, the creation of additional TTU partnerships will enable HSI to more effectively investigate and prosecute criminal organisations within specific geographic areas, with the ultimate goal of eliminating systemic vulnerabilities within global trade and financial systems.

### Partnership success story

A major threat to the Paraguayan economy are the high risk factors posed by the multi-billion dollar contraband trade that is occurring in the border region shared with Argentina and Brazil (the Tri-Border Area). The contraband trade facilitates much of the money laundering in Paraguay. Laundering channels include the use of banks, real estate investment, financial asset markets, luxury goods, remittance networks, informal financial networks and trade-based money laundering. Large sums of dollars generated from normal commercial activity and suspected illicit commercial activity are also transported physically from Paraguay through Uruguay and Brazil to banking centres in the United States.

In March 2007, the HSI TTU initiated a TTU partnership with Paraguay Customs to aggressively analyse, identify and investigate companies and individuals involved in trade-based money laundering activities between Paraguay and the United States.

The Paraguay TTU is one of the most diverse TTUs, members include personnel from Paraguay Customs, the Under Secretary for State Taxation (Subsecretaría del Estado de Tributación, or SET), the Specialised Technical Unit for IPR Enforcement (Unidad Técnica Especializada, or UTE), and the Financial Intelligence Units (Secretaría de Prevención de Lavado de Dinero o Bienes SEPRELAD).

As a result of the TTU partnership, Paraguay has identified millions of dollars of lost revenue; the U.S. and Paraguay have made numerous seizures of contraband worth multiple millions of dollars; and Paraguay and the U.S. have worked together in targeting a criminal organization accused of supporting a terrorist entity.



Trade Transparency Unit in Paraguay

Photo courtesy of the US ICE

## Sezam – a global analytical project on currency smuggling

### Background of the project

In 2006, a strong increase in currency seizures in the Eastern and Central Europe region was noted. The National Contact Points of the RILO Eastern and Central Europe (ECE) therefore discussed the possibility of initiating a global analytical project on currency smuggling.

The delegates of the 2007 WCO Global RILO Meeting decided to launch this analytical project, lead by RILO ECE, in cooperation with other RILOs under the codename Sezam. It was also agreed that RILO ECE would produce regular annual analysis reports on this issue.

The first two reports, covering the period 2005-2008, provided only a general overview of the phenomenon of cash smuggling. Supported by a more robust data base, the 2009 analysis report contained, apart from a general analysis, regional overviews on currency smuggling throughout the six geographical regions<sup>8</sup> of the WCO.

The fourth stage of the project contained an analysis of currency seizures, comparing the years 2009 and 2010. The report was complemented by an analysis of seizures of precious metals and precious stones.

<sup>8</sup> North of Africa, Near and Middle East, West and Central Africa, East and Southern Africa, South America, North America, Central America and the Caribbean, Europe, Far East, South and South East Asia, Australasia and the Pacific Islands.



49,350 USD hidden inside aluminium tubes for cigars



Photos courtesy of Cuban Customs

The last issue of the report contained comprehensive analysis and included advice and tips aimed to raise awareness of the users of the WCO CEN global seizure database concerning currency seizures.

### Project objectives

Project Sezam was intended to train WCO Member Customs administrations on current currency smuggling methods as an integral element of international money laundering and terrorist financing activities. Moreover, the project has a specific focus on the development of strategic intelligence on key trans-shipment and courier routes. In addition, it seeks to identify additional risk indicators which can be used to improve Customs' risk profiling capabilities on illicit cross-border movements of cash and Bearer Negotiable Instruments (BNI).

The project is also expected to improve the quantity and quality of seizure data input in the WCO CEN Global Seizure database.

### Working methods

Throughout the project period, all RILOs – supported by their National Contact Points – were encouraged to input data on cash seizures and photos in the CEN database. RILOs were also asked to notify RILO ECE of specific developments, emerging routes for currency smuggling and to provide any other important information which could be of relevance for the project.

### Analysis methodology

Analysis was based on all currency seizure reports entered into the WCO CEN Global Seizure database. Each case of currency smuggling is registered as one case; seizures of different currencies are also listed as one case. It is therefore important to distinguish between the number of cases and the number of seizures, as one case of currency smuggling can include seizures of numerous different currencies.

The following aspects of cash smuggling were examined in the framework of Project Sezam:

- Number of currency smuggling cases and quantities seized
- Number of seizures and quantities seized per currency
- Place of seizure and geographical location
- Means of transport
- Method of concealment
- Country of departure and country of destination
- Reason for seizure
- Detection method and technical aids used
- Overview of forged bank-notes.

### Summary of the Project Sezam implementation

Throughout the different stages of Project Sezam, it can be concluded that the project currently meets its objectives. The initial development of Project Sezam consisted of participation from 8 out of the 11 RILOs.



80,000 Canadian dollars concealed in the suitcase wheels

Today data is provided by all 11 RILOs within the network as well as the United States which is not currently affiliated with a RILO. The analysis from these contributors clearly supports the premise that the physical cross-border movement of currency is one of the integral parts of international money laundering and terrorism financing schemes. The proper implementation of Financial Action Task Force (FATF) Recommendation 32 on cash couriers is posing specific challenges to law enforcement agencies worldwide, particularly Customs administrations which are the main competency in border control matters. Due to its international implications and the leading role Customs plays in cross-border crimes cooperation at every level is paramount in successfully combating this issue. Collaboration among Customs administrations worldwide as well as information and intelligence exchange with the network of Financial Intelligence Units (FIU) is essential. Therefore, through Members'



Photo courtesy of Cuban Customs

support, the global network of the RILOs has prioritised currency smuggling as a key topic for RILO activities.

Input of case data into the CEN global seizure database increased significantly since the beginning of the Project. While 1,799 cases of cash smuggling were reported in the first report (covering the years 2005-2007), a marked increase of 6,006 cases were analysed in 2010. In addition to the increase in reported cases, the quality of data also improved notably.

All Project Sezam reports issued to date provide a clear picture on the cash smuggling phenomenon worldwide by providing specific information throughout the separate geographical regions. New modus operandi, such as transport routes and methods of concealment were identified and supported by abundant photo material. The next phase of Project Sezam, covering the period 2012-2013, will focus on bitcoins and virtual currencies.



Photo courtesy of French Customs

# SECTION 5. SECURITY

*Over the years, the role of Customs has evolved and diversified, and the number of functions Customs officers are required to exercise continues to grow. In recent times, Customs has become central in security-related functions. The role of Customs in security can be defined as the prevention of smuggling of dangerous or prohibited goods, or trade in or transport of these goods without appropriate licences. This Section provides a general analysis based on Customs seizures of ammunition, firearms, cold weapons, gas weapons, war weapons, industrial explosives and precursor chemicals in 2013.*

## INTRODUCTION

The seizure data contained within this Section has been obtained through the CEN system. Compared with the previous year's Report, this year, the Security Section contains information on more commodities and provides a more strategic overview of the current situation. Since the methodology and the scope of analysis were changed, no comparison with seizure data in 2012 can be provided.

In 2013 a total of 4,939 cases were reported through the CEN system, out of which 37 cases refer to explosives. Therefore, the analysis below is focused on the 4,902 cases that exclude explosives and their parts. Apart from universally recognised weapons and explosives, there are some categories of goods that could be considered to be weapons or explosives only by some countries. For example, many types of cold weapons are in free circulation in Asia-Pacific, but fall under restrictions in the European countries and in

Russia. In many countries fireworks are considered explosives if they do not have an appropriate national licence. In order to facilitate a global analysis and taking into account these differences in the existing legal frameworks, the analysis is made on the presumption that goods entered in the CEN system are classified as weapons or explosives by the reporting country in accordance with its national legislation, and therefore will be deemed as such in the respective categories.

The Section is divided into two parts. The first part covers major types of weapons and ammunition; the second part is dedicated to industrial explosives and their parts, including precursor chemicals, identified by the WCO Global Shield Programme.

## WEAPONS AND AMMUNITION

### Categorisation by type of weapons

Weapons include firearms and items considered to be offensive, restricted, prohibited, chemical, explosive and radioactive. An important feature of this analysis is based on the premise that many reported cases comprise different types of goods. Therefore, it is impossible to calculate how many cases of a particular type of weapon were reported in 2013. A more solid proxy would be to focus the analysis not on the quantity of cases, but on the number of seizures a particular kind of goods was seized either within a unique or a compound case. All types of goods, with the exception of some explosives, are measured in pieces (see Table 1).

Ammunition is by far the leading category of goods both by number of seizure occurrences and by quantity. Ammunition includes bullets of different calibres, buckshot, cartridges, primers and shells. This finding is not surprising for two reasons:

1. There are reports on many seizures where ammunition was seized along with weapons and
2. Ammunition includes different types, measured in pieces. Therefore, the quantities seized are very high.



*EKOL Special 99 9 mm gas pistol with 200 gas alert cartridges  
Photo courtesy of Georgian Customs*

The two largest seizures were reported by Yemen and Guinea with 300,000 and 256,250 pieces of ammunition respectively. In the case of Yemen, the seizure was made at the seaport when goods were being imported from China. The ammunition was found in a container hidden among other accessories. The seizure reported by Guinea took place at the land border: the bus with ammunition arrived from the neighbouring Guinea-Bissau. Out of the 36 countries that reported seizures of ammunition, the top six reporting countries with the

**Table 1. Categorisation by type of weapon**

| Type of weapon                    | Number of seizures | Quantity (pieces) |
|-----------------------------------|--------------------|-------------------|
| Ammunition                        | 2,357              | 1,265,807         |
| Handguns - Pistols                | 1,081              | 109,921           |
| Parts of weapons - Scopes         | 496                | 16,169            |
| Parts of weapons - Magazines      | 512                | 14,445            |
| Cold weapons                      | 693                | 12,128            |
| Parts of weapons - Other          | 141                | 11,485            |
| Blank guns                        | 6                  | 3,321             |
| Pneumatic (air/gas) weapons       | 288                | 1,418             |
| Handguns - Rifles                 | 458                | 1,346             |
| Parts of weapons - Bolts          | 17                 | 1,010             |
| Hunting firearms (incl. shotguns) | 263                | 604               |
| Electroshock weapons and parts    | 78                 | 313               |
| Parts of weapons - Barrels        | 30                 | 288               |
| Parts of weapons - Silencers      | 30                 | 279               |
| Handguns - Revolvers              | 196                | 276               |
| War weapons                       | 27                 | 234               |
| Gas weapons and parts             | 25                 | 173               |
| Other items                       | 32                 | 81                |
| Machine guns                      | 45                 | 61                |
| <b>Total</b>                      | <b>6,775</b>       | <b>1,439,35</b>   |



A large seizure of 128 assault rifles AK-147, 361 magazines and 320 other weapons made by Czech Customs

Photos courtesy of Czech Customs

largest seizures were Yemen (308,035 pieces; 25%), USA (301,597 pieces; 24%), Guinea (256,254 pieces; 20%), Turkey (114,250 pieces; 9%), Germany (103,790 pieces; 8%) and Croatia (53,836 pieces; 4%). 10 per cent of pieces seized were reported by 31 countries. Yemen and Guinea in particular are in the top six due to the large seizures mentioned above. In terms of the Customs procedure, in the USA 57 per cent of ammunition was seized at export, 23 per cent of pieces were seized internally and 20 per cent at import. Turkey emerged as the exporting country for ammunition based on reported seizures, while 59 per cent of ammunition reported by Germany was seized during transit and 34 per cent of ammunition was seized internally. This finding confirms the role of Germany as a major transit country for ammunition. Croatia became the sixth largest reporting country in this category due to a large seizure of 50,000 units of ammunition for air rifles. The Croatian Customs seized the goods on a land border in a vehicle that was going from Bosnia and Herzegovina to Austria.

Pistols are the second largest category of weapons seized (109,800 pieces). The three largest seizures of pistols were reported by Yemen and Oman. Yemen reported the largest seizure, 47,720 pistols, which amounts to 44 per cent of the total quantity of pistols seized. This particular seizure took place while the goods were in transit with final destination to Oman. In all three instances the departure country was Turkey and the destination country was Oman. Oman reported two large seizures at import with 30,393 and 28,200 pistols respectively. Overall, Oman seized 53 per cent (58,593 pieces) from the total quantity of pistols, followed by Yemen (47,793 pieces, 43%),

Germany (1,671 pieces; 2%) and the USA (1,147 pieces; 1%). The rest of pistol seizures (771 pieces; 1%) were reported by the remaining 27 countries.

Parts of weapons, such as scopes and magazines are the third and fourth largest categories of seized goods. Out of 16,169 scopes, 13,726 scopes were seized by the USA, whereas more than 12,000 pieces were seized at export with China indicated as the final destination. Germany reported one seizure of 2,000 pieces in transit, and several small seizures of 1-2 pieces. There is a similar dynamic observed in the reporting of seizures of magazines, where the USA reported the vast majority of all seized items (13,433 out of 14,445 magazines). However, while scopes were mostly seized at export, the magazines were seized at import. The major countries of departure for magazines imported in the USA were Turkey and Italy (8,011 and 2,400 pieces accordingly) which accounts for approximately 75 per cent of the total quantity reported as seized by the USA.

Other parts of weapons mainly include gun cases and parts, such as compressed air cylinders etc. More than half of the items in this category were reported by by Venezuela due to one large case of 6,000 pieces of compressed air cylinders which were seized on a vessel that had arrived from the USA. The three largest seizures of bolts (parts of weapons) were reported by Saudi Arabia (between 200 and 330 pieces) and were seized on the land border.

Cold weapons is the next vast category that includes various types of weapons, such as brass knuckles, batons, different kinds of knives and swords, precision



Bow with arrows

Photo courtesy of Cuban Customs

catapults, stun guns and nunchaku, etc. The five largest seizures were made en route from China to the Czech Republic by sea, and included knuckle dusters, nunchaku, stun guns and precision catapults, which accounts for 86 per cent (10,488 pieces) of all cold weapons seized. These seizures were reported by Slovenia and Germany. The remaining 14 per cent (1,640 pieces) of cases where cold weapons were detected were either single cases of one and more cold weapons or compound cases with different types of weapons. In some countries, in particular, the Asia-Pacific region, certain types of cold weapons are in free circulation and can be purchased by individuals for personal use. Therefore, in many instances they are seized in single quantities at airports or land borders.

The quantities of pneumatic weapons and rifles are rather similar. The predominant feature of seizures related to these two kinds of weapons is that the majority of them only contained one unit of weapon. The largest seizure was of 320 pieces. The same dynamic is observed in relation to hunting firearms (including shotguns), revolvers and machine guns.

Electroshock weapons and parts include electric guns, electric zappers and their parts. No large quantities were seized in this category.

War weapons include grenades, rockets (including signal rockets) and other items. Out of eight countries that reported results in this category, France reported seizures that accounted for 72 per cent (170 pieces) of the total and they mostly took place inland, followed



Pneumatic weapons: 1 AR-15 style; 1 MP-5 style; 1 Carl Gustav M45 style

Photo courtesy of Swiss Customs

by Germany with 14 per cent (33 pieces) and Former Yugoslav Republic of Macedonia – 9 per cent (20 pieces). Another five countries reported 4 per cent of goods seized.

Gas weapons and parts include different kinds of gas weapons, tear gas and pepper spray. Out of 173 weapons in this category, Denmark made a large seizure equal to 59 per cent (102 pieces) of the total quantity. The seizure contained pepper spray discovered on the land border in a vehicle coming from Germany. Apart from this seizure, the majority of instances of smuggling of gas weapons and their parts were reported by Denmark as well. Other items mainly included bullet-proof vests.

## Reporting countries

In total 41 countries reported seizures of weapons and ammunition in 2013. In the majority of cases the reporting country is the country that made the seizure. Since there is no specification on type of goods seized by country, the total quantity of cases reported per country was taken as a proxy. Chart 1 includes top ten reporting countries and the number of reported seizures.

The reason for a big difference between the number of reports by the USA and other countries is partially due to the fact that USA reports all cases, whereas out of 2,957 cases, 1,201 (or 41%) are internal ones (i.e. goods were seized inland with the USA indicated

both as a departure and destination country). The same tendency was observed in Yemen, where out of 288 reported cases, 92 (or 32%) were made inland. Nevertheless, the quantity of internal cases does not have a direct impact on the placing of countries in this Chart 1, as the order would still be the same.

## Departure and destination countries

Departure and destination countries are a useful indicator on the movement of goods. However, the departure country does not necessarily mean the country of origin (production), and the destination country does not necessarily mean the final destination of the goods.

Such is the case with the reporting countries, the reason why the USA dominates the list of the top 20 departure and destination countries is due to the high percentage of inland seizures, where they were identified as a departure and destination country in 1,183 cases. Therefore, the number of international cases where the USA was identified as a departure country equals to 1,349 cases, and as a destination country in 482 cases. Even with this clarification on the figures, it still remains the top departure and destination country. It is important to take into account that there is still quite a large quantity of reported cases where either departure or destination country was unknown (122 and 184 cases respectively). Therefore, analysis based on departure and destination countries cannot serve as a robust indication of the real situation (see Table 2).

## Seizures by Customs procedure

Out of the 4,902 reported cases, in 1,776 cases seizures were made at import and in 1,575 cases they were made at export. These are the two leading categories with 36 and 32 per cent respectively, followed by 1,323 reported cases of internal seizures that equal 27 per cent of cases and 228 cases where seizures were made in transit representing the remaining 5 per cent (see Chart 2). This result is not surprising and is consistent with the trends and patterns observed during the previous years.

Chart 1. Top 10 reporting countries by number of cases

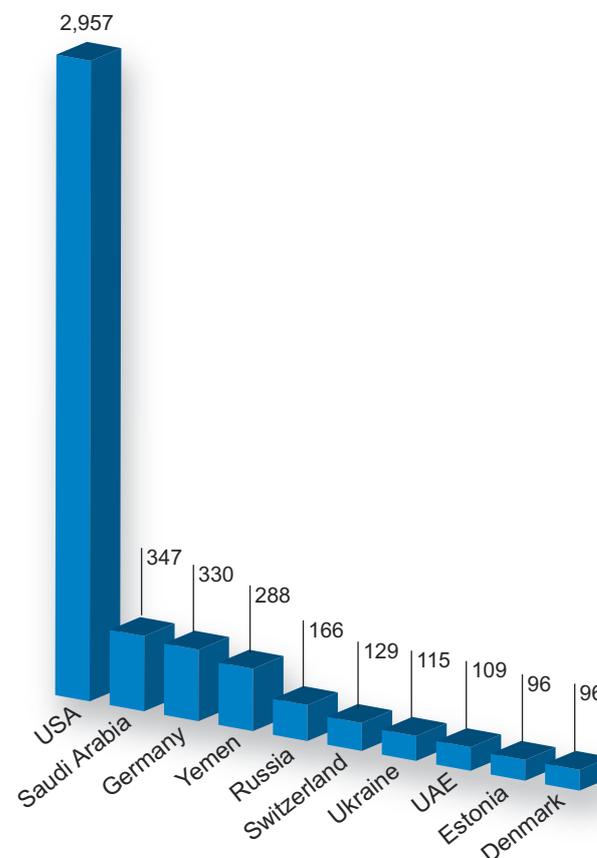


Table 2. Top 20 departure and destination countries

| Departure country | Number of cases | Destination country | Number of cases |
|-------------------|-----------------|---------------------|-----------------|
| USA               | 2,532           | USA                 | 1,665           |
| Yemen             | 282             | Saudi Arabia        | 374             |
| Canada            | 221             | Russia              | 271             |
| Turkey            | 196             | Germany             | 271             |
| Unknown           | 122             | Unknown             | 184             |
| Mexico            | 111             | Mexico              | 183             |
| Germany           | 105             | Canada              | 183             |
| China             | 90              | Paraguay            | 150             |
| UAE               | 87              | Yemen               | 136             |
| Kuwait            | 84              | Switzerland         | 128             |
| Russia            | 66              | UAE                 | 119             |
| Oman              | 58              | Ukraine             | 111             |
| Switzerland       | 57              | Honduras            | 98              |
| Poland            | 55              | Denmark             | 83              |
| Estonia           | 50              | Philippines         | 78              |
| Ukraine           | 45              | Argentina           | 48              |
| Singapore         | 44              | Estonia             | 46              |
| France            | 44              | France              | 45              |
| Austria           | 39              | Brazil              | 45              |
| Czech Republic    | 35              | Sweden              | 44              |



**Concealed MK2 style hand grenades**  
*Photo courtesy of the Former Yugoslav Republic of Macedonia Customs*



**Gun Beretta 92 FS, 9 mm with 15 bullets concealed in a car**  
*Photo courtesy of Georgian Customs*

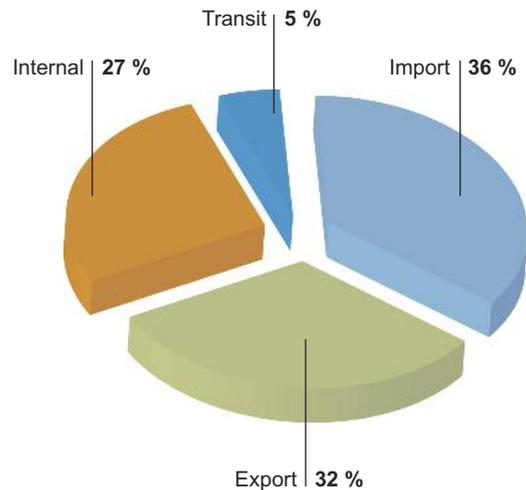
## Method of concealment

In terms of the method of concealment, there is still a very large portion of cases where the method of concealment is not identified (1,218 cases; 72,289 pieces). Therefore, the analysis on the method of concealment can only be done effectively based on the 3,684 cases where the reporting country provided information in this category (see Table 3).

Since cases vary by size, its number by method of concealment does not provide enough information of the most frequent methods of concealment used for particular types of weapons. Therefore, an additional analysis is needed based on the type of goods, method of concealment and quantity of goods seized.

Out of the 4,902 reported cases, ammunition was mainly found in freight, baggage, transport and mail. Cold weapons, pistols, rifles, pneumatic weapons and scopes were primarily found in freight. The largest cases of seizures of magazines (by quantity of pieces) were easy to detect as they were not concealed and transported by air. Almost all electroshock weapons and parts, as well as gas weapons and parts were found concealed in transport. Blank guns were mainly transported by air and were not concealed. There was one seizure of a large quantity of blank guns at the seaport at import, and these guns were not concealed either.

**Chart 2. Seizures by Customs procedure**



**Table 3. Classification by concealment method**

| Concealment method | Number of cases | Quantity (pieces) |
|--------------------|-----------------|-------------------|
| In freight         | 595             | 600,773           |
| In baggage         | 940             | 398,412           |
| In transport       | 983             | 196,201           |
| Not concealed      | 340             | 75,211            |
| Unknown            | 1,218           | 72,289            |
| In premises        | 79              | 48,348            |
| On the person      | 142             | 28,283            |
| In mail            | 603             | 19,828            |
| On market places   | 2               | 14                |
| <b>Total</b>       | <b>4,902</b>    | <b>1,439,359</b>  |

## Seizure location

In terms of seizure location, apart from inland seizures, executed mainly by the USA and Yemen, other seizures were mainly made at land border crossings (1,317 cases; 27%) and airports (1,154 cases; 23%), followed by mail centres (688 cases; 14%) and seaports (352 cases; 7%). In the remaining 27 cases, which constitute approximately 1 per cent, seizures were made in railways, river ports and other unidentified locations (see Chart 3).

However, in order not to be misguided, it is necessary to include the correlation of the quantity of pieces seized and number of cases recorded (see Table 4). Therefore, the highest amounts of weapons, their parts and ammunition were seized at land borders and seaports, even though the number of the reported cases at the seaports is much lower than the number of cases at the land borders.

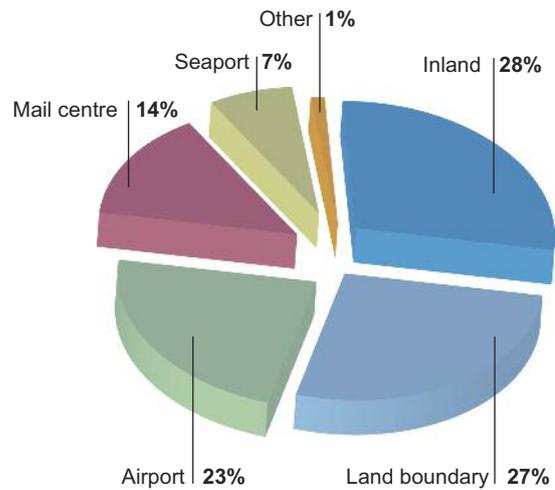
Besides the large quantity of weapons and ammunition seized in and reported by the United States, the information retrieved from the CEN database demonstrates that large seizures were made in so called 'crisis areas', countries with internal conflicts or countries adjacent to those or in known transit countries (e.g. Germany or Turkey). This has been a continuous trend for a number of years which is supported by findings from other open sources.



Concealed caliber 16 gauge shot shells

Photo courtesy of Georgian Customs

Chart 3. Classification by seizure location



NB: for graphic purposes the categories of 'Rail', 'River' and 'Unknown' were united into the category 'Other', as they constitute less than 1 per cent when analysed separately.

Table 4. Classification by seizure location

| Seizure location | Number of cases | Quantity (pieces) |
|------------------|-----------------|-------------------|
| Land boundary    | 1,317           | 655,858           |
| Seaport          | 352             | 481,297           |
| Inland           | 1,362           | 160,018           |
| Airport          | 1,154           | 127,287           |
| Mail centre      | 688             | 10,629            |
| Rail             | 22              | 4,238             |
| River            | 5               | 29                |
| Unknown          | 2               | 3                 |
| <b>Total</b>     | <b>4,902</b>    | <b>1,439,359</b>  |

# INDUSTRIAL EXPLOSIVES, THEIR PARTS AND PRECURSOR CHEMICALS

## Industrial explosives and their parts

In 2013 seizures of explosives and their parts<sup>1</sup> were reported through the CEN system 57 times amounting to 26,866 pieces and 916 kg of seized materials. Apart from mortar shells and propellants, the category of explosives includes fireworks due to the fact that they were seized for not being accompanied by a valid licence, and are therefore classified as explosives by the reporting country. In particular, a large seizure of 13,640 pieces of fireworks was reported by Kuwait. The seizure took place at the seaport and the goods were arriving from China to Kuwait as a final destination. This seizure alone amounts to half of items seized under this category. Out of 916 kg of seized materials, three large seizures of 500 kg of urea, 230 kg of fireworks and 180 kg of other explosives constitute almost all seizures by kg. In particular, the seizure of urea, reported by Colombia, was made together with 1,000 pieces of electric detonators. Both kinds of materials were transported by truck from Bolivia. The seizure of 230 kg of fireworks<sup>2</sup> took place at a US land border at the moment of export to an unknown destination. Burkina Faso reported the seizure of 180 kg of explosives that were imported from Ghana by truck.

Unfortunately, the quality of data in this category does not allow for further analysis.

## Precursor chemicals

Improvised explosive devices (IEDs) manufactured from readily available precursor chemicals are the most prevalent form of explosive employed in bombings around the world. Programme Global Shield (PGS), in close collaboration with INTERPOL and UNODC, aims at countering the illicit diversion and trafficking of precursor explosive chemicals that may be used to manufacture explosive devices.

Fourteen chemicals have been identified as the most widespread precursors in manufacturing IEDs (see Table 5).

One of the challenges specific to this Programme is that the explosive chemical precursors are dual-use goods, and as such part of considerable legitimate trade flows. Using profiling of total shipments, Customs administrations have the task of identifying the high-risk shipments and warning each other regarding the potential need for additional, in-depth controls. Due to the fact that only a very small fraction of global shipments of explosive chemical precursors are indeed a matter of illicit diversion, the number of seizures in Programme Global Shield is lower than for other commodities.

## New Zealand Customs Counter-Improvised Explosive Devices (C-IED) project

Since March 2013 New Zealand Customs has implemented the Counter-Improvised Explosive Devices (C-IED) project for trade sector imports. Goods exported from New Zealand fall under the World Customs Organization Programme Global Shield

reporting process and are not specifically part of the C-IED project. The C-IED project focuses on commodities requiring formal Customs entry rather than the less regulated courier/mail system (although additional risk mitigation strategies are in place in that stream).

Seventy consignments of dual-use IED precursor commodities were checked during 2013 to establish the legitimate use of the goods before their release. It was found that

all the goods were imported by legitimate end users. In addition, the WCO Programme Global Shield 2013 results noted 690 import and 105 export consignments, all of which were considered to be entered for legitimate purposes. This year, New Zealand has also commenced reporting its monthly imports and exports of goods covered by Global Shield on the WCO Global Shield website.

<sup>1</sup> Since in numerous cases explosives and their parts were seized with other commodities, the analysis is based on the number of times explosives and their parts were reported rather than on the number of cases.

<sup>2</sup> Only in this case fireworks were reported in kg; in other cases fireworks were reported by pieces.

**Table 5. List of 14 PGS explosive precursor chemicals**

| Name of Chemical             | Other Names   | Common Use   |
|------------------------------|---|--|
| Ammonium nitrate             | High nitrogen   | Instant cold packs, high-nitrogen fertiliser in agriculture  |
| Acetic anhydride             | Ethanoic anhydride  | Photographic film and other coated materials, production of aspirin, wood preservative, production of modified starches, synthesis of heroin                       |
| Acetone                      | Dimethylformaldehyde, Dimethyl Ketone, $\beta$ -Ketopropane, 2-Propanone        | Cleaning solvent, component of some paints<br>Cleaning solvent, component of some paints and varnishes, nail polish remover, superglue remover                     |
| Urea                         | Carbamide, carbonyl diamide, carbonyldiamine, diaminomethanal, diaminomethanone | Nitrogen-release fertiliser, raw material for the chemical industry  |
| Aluminium powders and flakes |   |  |
| Hydrogen peroxide            | Dioxidane   | Bleach, disinfectant, antiseptic, oxidiser   |
| Nitric acid                  | Aqua fortis, Salpetre acid, Spirit of nitre                                     | Fertilisers, purification and extraction of gold, chemical synthesis   |
| Nitromethane                 | Nitrocarbol   | Industrial solvent, cleaning solvent, pharmaceuticals, pesticides, explosives, fibres, coatings and racing fuel, dry cleaning, degreaser, solvent for superglue    |
| Potassium chlorate           | Potcrate  | Disinfectant, safety matches, explosives and fireworks, oxidising agent, pesticide   |
| Potassium nitrate            | Saltpetre, Nitrate of potash, Vesta powder                                      | Fertilisers, rocket propellants, fireworks, food additives, pre-rolled cigarettes, tree-stump remover  |
| Potassium perchlorate        | Potassium chlorate, Perchloric acid, Potassium salt peroidin                    | Fireworks, ammunition percussion caps, explosive primers, propellants, flash compositions, stars, sparklers  |
| Sodium chlorate              |   | Herbicide, defoliant and desiccant   |
| Sodium nitrate               | Caliche, Chile Saltpetre  | Colour fixative and preservative in meats and fish, dyeing and printing textile fabrics and bleaching fibres, manufacture of rubber chemicals, corrosion inhibitor |
| Calcium ammonium nitrate     |   | Fertiliser   |

In 2013, Customs and Police administrations seized more than 114 metric tons of solid chemicals and nearly 13,000 litres of liquid precursors within the framework of the Programme Global Shield (see Table 6).

Ammonium nitrate and potassium chlorate accounted for the bulk of the seizures during 2013, representing 92 per cent of all precursors seized. Eighty per cent of seizures in 2013 were reported by Afghanistan, and the remaining 20 per cent by Kyrgyzstan, Mali, Montenegro and Thailand.

In addition to the seized precursor chemicals used in the manufacturing of the IEDs, 20 already-made IEDs were seized in 2013 and 28 arrests were made in relation to the seizures.

During the year, 120 warning and feedback messages were exchanged on suspicious shipments through the dedicated online Global Shield Application that is used for secure information exchange among the 94 Customs administrations participating in the Programme.

**Table 6. Classification of quantities seized by precursor chemical in 2013**

| Precursor          | Quantity seized (kg) | Quantity seized (l) |
|--------------------|----------------------|---------------------|
| Acetic anhydride   | -                    | 12,770              |
| Ammonium nitrate   | 77,500               | -                   |
| Hydrochloric acid  | -                    | 100                 |
| Potassium chlorate | 28,875               | -                   |
| Sodium chlorate    | 72                   | -                   |
| Urea               | 5,000                | -                   |
| Other              | 3,369                | 16                  |
| <b>Total</b>       | <b>114,816</b>       | <b>12,886</b>       |

In a special action, the WCO teamed up with Programme partner INTERPOL to engage in a joint training and subsequent operation in Thailand. The training session included 26 officials from the Thai Customs Department, the Royal Thai Police, the Border Patrol Police and the Immigration Department. As a part of the training session, participants learned how to use Programme Global Shield chemical identification field test kits that were later successfully deployed during the operation. Thai Customs successfully seized 72 kg of sodium chlorate during the operation.

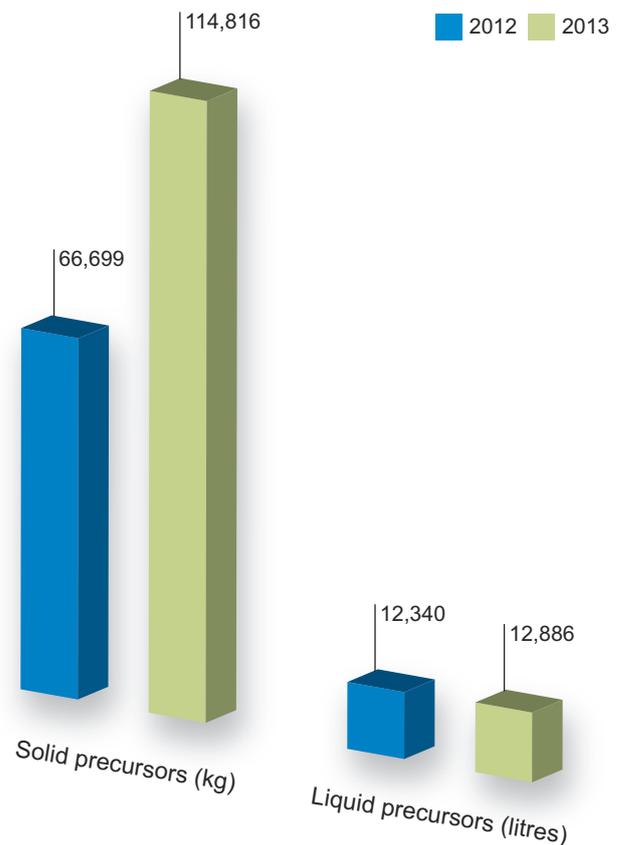
Overall, in 2013 the Programme registered a 72 per cent increase in reported precursor chemicals compared with seizures reported for 2012 (see Chart 4). The reason for the increase is the intensified focus and awareness that the Programme has achieved through training, communication and operational activities in the areas of the world most concerned by the threat of IEDs: Afghanistan, Pakistan, India and Central Asian countries. Due to these activities, the reporting of seizures increased as well: 50 seizures were reported in 2013, compared to 21 in 2012.



*In cooperation with the military, Thai Customs seized approximately 72 kg of sodium chlorate including 188 bottles of rubber stimulant products concealed in offender's pick-up truck*

*Photo courtesy of Thai Customs*

**Chart 4. Seized precursor chemicals in 2012-2013**





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# LIST OF ABBREVIATIONS

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|                  |  |
|------------------|--|
| <b>ASEAN-WEN</b> | Association of Southeast Asia Nations Wildlife Enforcement Network |
| <b>BCNP</b>      | Biodiversity, Cultural and National Heritage Protection Branch     |
| <b>BNI</b>       | Bearer Negotiable Instruments                                      |
| <b>BPU</b>       | Biodiversity Protection Unit                                       |
| <b>CAP</b>       | Counterfeiting and Piracy  |
| <b>CBP</b>       | Customs and Border Protection                                      |
| <b>CCF</b>       | Customs Co-operation Fund  |
| <b>CCP</b>       | Container Control Programme  |
| <b>CEN</b>       | Customs Enforcement Network  |
| <b>CENcomm</b>   | Customs Enforcement Network communication                          |
| <b>CIS</b>       | Commonwealth of Independent States                                 |
| <b>CITES</b>     | Convention on International Trade in Endangered Species            |
| <b>CTS</b>       | Cargo Targeting System   |
| <b>DARTTS</b>    | Data and Analysis for Trade Transparency System                    |
| <b>DG TAXUD</b>  | Directorate-General for Taxation and Customs Union                 |
| <b>EMCS</b>      | Electronic Management Control System                               |
| <b>ECE</b>       | Eastern and Central Europe   |
| <b>EU</b>        | European Union   |
| <b>EUBAM</b>     | EU Border Assistance Mission to Moldova and Ukraine                |
| <b>FATF</b>      | Financial Action Task Force  |
| <b>FCTC</b>      | Framework Convention on Tobacco Control                            |
| <b>FIU</b>       | Financial Intelligence Unit  |
| <b>GBL</b>       | Gamma-Butyrolactone  |
| <b>HRT</b>       | Hand-rolling tobacco   |
| <b>HSI</b>       | Homeland Security Investigations                                   |
| <b>ICCWC</b>     | International Consortium on Combating Wildlife Crime               |
| <b>ICE</b>       | Investigation and Customs Enforcement                              |
| <b>Icomm</b>     | Information Communication Interface                                |
| <b>IED</b>       | Improvised Explosive Device  |
| <b>IMPEL</b>     | EU network for Implementation and Enforcement of Environmental Law |
| <b>INTERPOL</b>  | International Criminal Police Organization                         |
| <b>IPM</b>       | Interface Public Members   |
| <b>IPR</b>       | Intellectual Property Rights                                       |
| <b>IUCN</b>      | International Union for Conservation of Nature                     |

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|                |   |
|----------------|---|
| <b>JAITF</b>   | Joint Airport Interdiction Task Force             |
| <b>KP</b>      | Kimberley Process                                 |
| <b>KRA</b>     | Kenya Revenue Authority                           |
| <b>LATF</b>    | Lusaka Agreement Task Force                       |
| <b>MDMA</b>    | 3,4 metylenedioxy-N-methylamphetamine (ecstasy)   |
| <b>MEA</b>     | Multilateral Environmental Agreement              |
| <b>MOU</b>     | Memorandum of Understanding                       |
| <b>nCEN</b>    | National Customs Enforcement Network              |
| <b>NCP</b>     | National Contact Point                            |
| <b>OCU</b>     | Operational Co-ordination Unit                    |
| <b>ODS</b>     | Ozone-depleting substance                         |
| <b>OLAF</b>    | European Anti-Fraud Office                        |
| <b>PCA</b>     | Post-Control Audit                                |
| <b>PCU</b>     | Port Control Unit                                 |
| <b>PGS</b>     | Programme Global Shield                           |
| <b>RILO</b>    | Regional Intelligence Liaison Office              |
| <b>RILO AP</b> | Asia-Pacific Regional Intelligence Liaison Office |
| <b>ROAP</b>    | Regional Office for Asia and the Pacific          |
| <b>ROCB</b>    | Regional Office for Capacity Building             |
| <b>RoRo</b>    | Roll-on-Roll-off                                  |
| <b>RTC</b>     | Regional Training Centre                          |
| <b>SAWEN</b>   | South Asia Wildlife Enforcement Network           |
| <b>SBC</b>     | Secretariat of the Basel Convention               |
| <b>SFP</b>     | Security Features Providers                       |
| <b>TBML</b>    | Trade-based money laundering                      |
| <b>TCO</b>     | Transnational criminal organization               |
| <b>THC</b>     | Tetra hydro cannabinol                            |
| <b>TTU</b>     | Trade Transparency Unit                           |
| <b>UNEP</b>    | United Nations Environment Programme              |
| <b>UNODC</b>   | United Nations Office on Drugs and Crime          |
| <b>WCO</b>     | World Customs Organization                        |
| <b>WHO</b>     | World Health Organization                         |
| <b>WWF</b>     | World Wide Fund for Nature                        |







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