



EUROPEAN ANTI-FRAUD OFFICE

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Major seizure of counterfeit steel pipes in the United Arab Emirates following joint inspection by Dubai Customs and OLAF

Based on information submitted by the European Anti-Fraud Office ("OLAF") and the French seamless steel pipe manufacturer, Vallourec, Dubai Customs seized four containers with counterfeit steel pipes in the Jebel Ali port in the United Arab Emirates. The pipes were initially intended for use in a large gas processing plant in India. The shipment was unloaded in Mundra (India), but the end-user had doubts about the authenticity of the accompanying certificates. Through coordinated action of the right-holder and OLAF, the containers were geo-localised and tracked on their way back to Dubai to avoid any fraudulent transshipment or diversion en route.

Upon swift action by the Intellectual Property Department of Dubai Customs, the containers were opened in the presence of all stakeholders on 24 June. Experts ascertained that the trademark on the steel pipes was counterfeited and that the quality certificates provided had all been forged. This is the first time that hard evidence of counterfeit steel pipe shipments has been uncovered, thanks to cooperation between OLAF, rights-holders and Dubai Customs officers.

A total of 82 tons of counterfeit steel pipes were found inside the containers, which makes it one of the largest seizures in the ongoing cooperation between OLAF and United Arab Emirates authorities. Such joint efforts are crucial in stopping traffic in counterfeit industrial goods that can pose a major health, safety and security risk to critical industrial installations ^[1] with potentially heavy economic and reputational consequences for all stakeholders.

This is also significant in view of the efforts of major global manufacturers within the "Steel Alliance Against Counterfeiting (SAAC)" to draw attention to the presence of counterfeit tubular goods in the petroleum industry in the Cooperation Council for the Arab States of the Gulf (GCC) ^[2]. Counterfeit pipes were never found in compliance with quality requirements and customers' specifications.

Pictures are available in the [OLAF multimedia gallery](#).

Background:

The trade of counterfeit products results in vast illicit profits and significant losses of tax revenues for the EU and its Member States. The smuggling of counterfeit products harms the European economy, damages legitimate business and stifles innovation, putting many jobs at risk. Counterfeiting also poses serious risks to health and safety as well as the environment.

OLAF is competent to conduct investigations related to the smuggling of counterfeit goods, thereby protecting the EU and its Member States from customs and tax revenue losses. OLAF particularly focuses on the smuggling of potentially dangerous products.

^[1] *Industrial installations such as for example: petrochemical refineries, Floating Production Storage and Offloading boats; power-plants; oil and gas pipelines; complex construction buildings.*

^[2] *The Cooperation Council for the Arab States of the Gulf originally known as the Gulf Cooperation Council (GCC) is a regional intergovernmental political and economic union consisting of all Arab states of the Persian Gulf except Iraq. Its member states are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates*

OLAF mission, mandate and competences

OLAF's mission is to detect, investigate and stop fraud with EU funds.

OLAF fulfils its mission by:

- carrying out independent investigations into fraud and corruption involving EU funds, so as to ensure that all EU taxpayers' money reaches projects that can create jobs and growth in Europe;
- contributing to strengthening citizens' trust in the EU Institutions by investigating serious misconduct by EU staff and members of the EU Institutions;
- developing a sound EU anti-fraud policy

In its independent investigative function, OLAF can investigate matters relating to fraud, corruption and other offences affecting the EU financial interests concerning:

- all EU expenditure: the main spending categories are Structural Funds, agricultural policy and rural development funds, direct expenditure and external aid;
- some areas of EU revenue, mainly customs duties;
- suspicion of serious misconduct by EU staff and members of the EU institutions.

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