

OLAF helps stop over 430 million illicit cigarettes from flooding EU market

In 2021, world-wide operations involving the European Anti-Fraud Office (OLAF) resulted in the seizure of hundreds of millions of illicit cigarettes. OLAF's investigators were also busy tracking down tobacco used in the illicit production of cigarettes and counterfeit or contraband waterpipe tobacco.

OLAF took part in a number of operations with national and international customs and law enforcement agencies to counter cigarette and tobacco smuggling. These operations led to the seizure of 93 million cigarettes smuggled into the EU, and to 253 million cigarettes impounded outside its borders.

OLAF's work also resulted in the seizure of 91 million cigarettes illegally produced at sites across the EU – leading to overall seizures of 437 million illicit cigarettes. Information uncovered by OLAF helped lead to the confiscation of 372 tonnes of raw tobacco, which was destined for the illicit production of cigarettes.

In 2021 OLAF continued to be active on waterpipe tobacco smuggling, an emerging trend that OLAF detected a few years ago. OLAF was able to identify suspicious consignments for over 60 tonnes of waterpipe tobacco.

OLAF Director-General Ville Itälä said: *"These seizures have saved EU Member States roughly 90 million euro in lost revenue, and we have helped target the criminal gangs that are behind this illegal business. Smugglers deploy various tricks and schemes (for example declaring at customs almost 10 million illicit cigarettes as suitcases) and they have adapted their business model to the pandemic, and to tougher controls at the EU's borders. That is why we are so proud to work together with all of our many partners. This is the best way to achieve concrete results."*

The fight against tobacco smuggling is a central part of OLAF's investigative activities. OLAF identifies and tracks lorries and/or containers loaded with cigarettes misdeclared as other goods at the EU borders. OLAF exchanges intelligence and information in real time with EU Member States and third countries, and if there is clear evidence that the shipments are destined for the EU contraband market, national authorities are ready and able to step in and stop them.

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;
- suspicions of serious misconduct by EU staff and members of the EU institutions.

Once OLAF has completed its investigation, it is for the competent EU and national authorities to examine and decide on the follow-up of OLAF's recommendations. All persons concerned are presumed to be innocent until proven guilty in a competent national or EU court of law.

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