



## **FIOD dismantles illegal cigarette factory in the Netherlands**

Utrecht, 27<sup>th</sup> June 2017

As part of a large operation the FIOD today has dismantled an illegal cigarette factory in Utrecht. The cigarette factory was in full operation when the FIOD entered. All 10 workers present in the factory have been arrested. It concerns South Americans who may have been working illegally in the Netherlands.

In addition, six houses were searched (in Zandvoort, IJmuiden, Amsterdam, Diemen and Utrecht) as well as seven business locations (in Amsterdam, Amstelveen, Rotterdam and Utrecht). The four main suspects have been arrested. It involves a 55 year-old man from Zandvoort, a 53 year-old man from Amsterdam, a 35 year-old man from Diemen and a 44 year-old man from Utrecht. They are suspected of participating in a criminal organisation that deals with the production and smuggling of illegal and unexcised cigarettes, and of producing and possessing cigarettes and tobacco. The main suspects are well known by the judicial authorities and the police.

If the cigarettes produced in the factory and the tobacco would have reached the Dutch market, the State would have missed out on approx. € 1 million in excise duty. The investigation is supervised by the National Public Prosecutor's office for serious fraud and environmental crime and asset confiscation.

### **Reason**

The reason for the investigation was a tip-off about a Dutch criminal organisation that was believed to be setting-up a factory for the production of illegal cigarettes. A dedicated team of the FIOD that deals with the fight against international and large-scale excise fraud under the supervision of the National Public Prosecutor's office for serious fraud and environmental crime and asset confiscation, closely followed and analysed the activities surrounding this cigarette factory in Utrecht. This has resulted in today's operation. The operation involved more than 200 people and a sniffer dogs. The investigation was supported by OLAF, Customs, the police and the Inspectorate of the Ministry of Social Affairs and Employment (SZW).

### **Tackling the trade in illegal cigarettes and excise fraud**

Due to the large profits made with the trade in illegal cigarettes, criminal assets are built up while the treasury is seriously defrauded. In addition, the illegal production of cigarettes undermines the Dutch government's anti-smoking policy. Recent research by the RIVM (National Institute of Public Health and Environmental Protection) shows that illegally produced cigarettes contain more harmful substances than legally produced cigarettes.

This makes them an (even greater) danger to public health.