

Successful international operation seized more than 62 million smuggled cigarettes

Successful cooperation between the European Anti-Fraud Office (OLAF), the Royal Malaysian Customs and the Belgian Customs led in February to the seizure of 62,6 million cigarettes destined to be smuggled into the European Union. Together with an earlier record-breaking seizure, nearly 200 million smuggled cigarettes have been prevented from entering the EU.

Following a record seizure of around 135 million smuggled cigarettes in containers at the port of Antwerp and in warehouses in the surroundings of Antwerp last month by the Belgian General Administration of Customs and Excise, joint enquiries with OLAF into the origin of the cigarettes were launched. Analysis of the routing of the containers along with additional investigative efforts revealed that another six containers containing cigarettes had already arrived under false declaration to a free trade zone in Malaysia, ready for onward shipment to Europe. Intelligence obtained in the course of the enquiry suggested that the criminal network in charge of the operation was trying to secure its criminal assets by diverting the containers to a different location.

OLAF alerted the Royal Malaysian Customs Department who immediately enforced an inspection of the suspect containers. The rummage led to the discovery and seizure of 62,640,000 cigarettes on 3 February 2020.

The successful illegal introduction of the almost 200 million cigarettes into markets in the European Union would have caused a financial loss of more than €50 million to the European Union and its Member States.

"This outstanding success is a result of effective international partnerships by the European Anti-Fraud Office, especially in Southeast Asia, to curb global cigarette smuggling activities. This seizure illustrates the real added value that international cooperation brings to the fight against the illegal trade of cigarettes. I congratulate our customs partners: the Royal Malaysian Customs Department and the Belgian customs on these good results" OLAF Director-General, Ville Itälä said.

OLAF has an explicit mandate to fight tobacco smuggling, which causes heavy yearly losses to the budgets of Member States and the EU in evaded customs duties and taxes.



© Zain Ahmed

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.

For further details:

Jana CAPPELLO
Spokesperson
European Anti-Fraud Office (OLAF)
Phone: +32 2 29 85549
E-mail: olaf-media@ec.europa.eu
http://ec.europa.eu/anti_fraud

